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DRUG TRAFFICKING: THE ESCALATING CRISIS ON THE SOUTHWEST BORDER

HEARING

BEFORE THE

CAUCUS ON
INTERNATIONAL NARCOTICS CONTROL

OF THE

UNITED STATES SENATE

ONE HUNDREDTH CONGRESS

FIRST SESSION

ON

THE ESCALATING CRISIS IN DRUG TRAFFICKING
ON THE SOUTHWEST BORDER

AUGUST 18, 1987

PHOENIX, AZ

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SENATE CAUCUS ON INTERNATIONAL NARCOTICS CONTROL

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DRUG TRAFFICKING: THE ESCALATING CRISIS ON THE SOUTHWEST BORDER

TUESDAY, AUGUST 18, 1987

U.S. SENATE,
CAUCUS ON INTERNATIONAL NARCOTICS CONTROL,
Phoenix, AZ.

The hearing was convened at 8:35 a.m. at the Phoenix City Council Chambers before U.S. Senator Dennis DeConcini.

OPENING STATEMENT OF HON. DENNIS DeCONCINI, A U.S. SENATOR FROM THE STATE OF ARIZONA

Senator DECONCINI. Ladies and gentlemen of the press, we will commence the press conference. We are running a little late here.

The purpose of the hearing that we will be conducting in 10 or 15 minutes from now is sponsored by the International Narcotics Control Caucus of the U.S. Senate. Senator Joe Biden is the chairman of that caucus in this session of Congress. It was started in the 99th Congress by Senator Biden, Senator D'Amato, myself, and Senator Dixon. We have continued to function by trying to do oversight in the area of international narcotics control.

Today's purpose is to do just that, oversight. I also serve on the Appropriations Committee, which we have combined in doing some additional hearings in Nogales, AZ, and also one in Las Cruces, NM, on oversight of the Customs Service interdiction program and the ability to assist the export and imports of items to and from Mexico.

Today we are going to look at the law enforcement side. I want to thank the press, the members of local law enforcement, Federal enforcement who have taken time to coordinate and work with Tim Carlsgaard and Bobby Mills from my staff. Senator McCain was asked to join us in these hearings but he had other commitments and was unable to be here today.

I wish to place my opening statement in the record.

[Prepared statement follows:]

PREPARED STATEMENT OF SENATOR DECONCINI

It gives me great pleasure to welcome to today's hearing so many dedicated law enforcement individuals who have devoted themselves to stopping the flow of illegal drugs into our homes, schools, and communities. In this room we have brought together representatives from local, state, and federal agencies in order to look at this problem from a total perspective; because this is a problem that must be confronted by a combined, cooperative effort. I want to thank each of you for taking the time to appear this morning to discuss this critical issue.

I would also like to give special thanks to the Chairman of the Narcotics Control Caucus, Senator Joe Biden, for authorizing this hearing. Senator Biden has been a strong voice in the Senate on the issue of drug abuse.

Nobody here today will deny that the United States has a serious drug abuse problem. We have the demand and the money to supply that demand.

Nobody here will deny that our friends to the south, Mexico, are failing in their efforts to stop the production and transshipment of illegal drugs in their country. I have been criticized in the past for being too critical of Mexico on this problem. But it is difficult not to be critical when Mexico is the number one source of marijuana and heroin coming into the U.S. and the number two source of cocaine.

I believe, like many of you, that if we are to be successful in the war on drugs, then it must be a cooperative effort with our neighbor. Drug abuse may not be a problem in Mexico yet, but all you have to do is look at Columbia, Bolivia, and Jamaica, and you will find that drug abuse was not a problem in those countries several years ago, but today they have a serious problem among their youth.

Letters of invitation were sent to several Mexican officials including, President de la Madrid and Attorney General Sergio Garcia Ramirez. But they have decided not to attend today's hearing. It is difficult to discuss how we can improve our efforts against illegal drugs if one of the main players decides not to attend the game.

Nevertheless, we must question our own executive branch's commitment to the drug epidemic. On October 27, 1986 President Reagan signed into law the Anti-Drug Abuse Act. When the President signed the bill he said, "I pledge the total commitment of the American people and their government to fight the evils of drugs."

That commitment had a short life, when President Reagan introduced his proposed budget for fiscal year 1988 he proposed the elimination of $225 million to state and local law enforcement for drug enforcement programs.

He wants to cut the Customs Air Interdiction program in half.

He wants to slash one-half of the money provided in the Anti-Drug Abuse Act for drug education.

I believe it comes down to priorities. Do we just talk tough about drug abuse in the U.S., or do we make it a national commitment and give it the support it needs to be successful. I say we have no alternative but the latter.

Senator DECONCINI. With that I open it to any questions from the press before we call our first panel. If there are any questions, I will be glad to answer them.

QUESTION. In your appearance statement you are sharply critical of President de la Madrid and the attorney general of Mexico for not coming here to this caucus hearing.

Would you expect under similar circumstances President Reagan and Attorney General Meese to travel to a State capital of Mexico to attend a hearing called by a lone member of the Mexican parliament?

Senator DECONCINI. I would hope and expect that someone from the administration would go. We got no suggestion from the Mexicians of them sending a representative to any of these meetings. We indicated to our consulate and our embassy in Mexico City that we realize the President's busy schedule. We did it out of courtesy to invite him and the Attorney General. We will welcome their representative. They certainly have every right to not appear and not to send anyone.

One of the reasons I invited them is because I have been critical of Mexico and I want to be as fair as I can because, indeed, there is a side that needs to be presented from Mexico. I met with the ambassador of Mexico just last week or week before last in Washington and explained what the hearings were about. And I realize that Mexico has made some effort recently but certainly in my judgment, has a long way to go.

So to answer your question the invitation was not just to the President and Attorney General. It was also to their representatives. They have elected not to send anybody and I respect that.

QUESTION. Considering the amount of money that there is in drug trafficking, don't you believe that there has to be some sort of local corruption in order for it to continue to be as successful as it is considering the small percentage of drugs that are intercepted?

Senator DECONCINI. Well, if you mean local corruption in the United States, I don't find that to be true in Arizona from personal experience and the knowledge that I have had and still have in law enforcement. I don't believe we have suffered in that area. When you think about the amount of money that we spend to fight drugs, it is not a heavy amount in comparison to what we spend on cancer research, which is very important; and the amount we spend on Indian health and Indian education, very important; the amount we spend on national security, of course, we do not spend that much money.

On interdiction along, we spend less than $1 billion. For a problem of this magnitude that we have in this country, in my judgment, that's not enough. I think we have to spend enough money as to make resources and assets available to local law enforcement as well as Federal law enforcement officials.

QUESTION. Once again on your current statement, everybody has declared war on drugs at the State level, Presidential level, and you say we are not spending enough money on it. It seems everybody is working on the fight against drugs.

I guess my question is: Over the past 20 years, we have spend billions of dollars on this and yet, in fact, the problem only seems

to grow larger. Even though the seizures go up the trafficking goes up.

Senator DECONCINI. Well, I think if you look at that statement you will see that the administration made a big point in signing the Anti-Drug Abuse bill last year which authorized $200 million for education, $225 million for State and local. And yet when we saw the budget, those figures were reduced in half. When we see the budget of the administration as it relates to the Customs Service, which has been designated as the head agency in the area of interdiction at the border, we see that that budget has been cut in half.

So to me there has been a lot of talk and not the resources made available. We see the time some of us have spent in order to get drug policies instituted and the Defense Department to turn over some military assets of high technical apparatus in radar and surveillance, you wonder about the commitment.

And my point is to ask those questions, what kind of cooperation and commitment are you getting from the Federal Government? Some of these Federal agencies don't have a whole lot to say about it because Edwin Meese sets their budget. And that's the purpose of these hearings, to see whether or not what Congress authorized is really getting transported into on the ground efforts. I'm not sure it is.

Any other questions? Thank you very much. We will now ask our first panel of law enforcement people to come up. Your names are set here, gentlemen.

Gentlemen, it gives me great pleasure to welcome everyone here today, including the many Arizona law enforcement people whom I have had a great experience working with as a county attorney. It is a marvelous experience as senior Arizona Senator to have representatives from local State and Federal agencies here in order to look at the problems from the total perspective because this is a problem that we must confront and we must continue to do oversight in relation to the expenditures that are necessary from the Federal Government.

I thank you and also the other panelists who will appear. I would also like to give special thanks to the chairman of the International Narcotics Caucus, Senator Joe Biden, who has authorized these hearings. This is not an unfunded, unrecognized arm of the Senate. It is a caucus that is recognized by our rules. It is funded by the Senate and for the purpose of advising the Senate as a body, both Democrats and Republicans, as to the nature of Federal involvement and problems.

Nobody here today will deny that the United States has got a tremendous problem. We have failed miserably in my judgment on both law enforcement and certainly education and the support system that we might be able to rectify in trying to slow the demand in this country.

Nobody here will deny, I don't think, that our friends to the south, Mexico, are failing in their efforts to stop the production and transportation of illegal drugs in their country. I have been critical of Mexico in the past and I have also been very supportive of Mexico. I believe that country is very important to us both economically and politically, as we are to them. But it is difficult not

to be critical of Mexico when we see they are the number one source of marijuana and heroin coming into the United States. It is the number two source of cocaine, I'm advised. Transshipment of cocaine amounts to one-third that comes into the United States.

I ask our friends to the south, as I have on numerous occasions, to increase their committment to join the United States in a mutual legal assistance treaty such as we have signed with the Bahamas. Mexican officials on the border have the right to veto the pursuit if they so elect. We would like to have a real cooperative effort. We have not seen that. I believe, like many of you here, that we can be successful in the "war on drugs".

I agree with Chief Gates of Los Angeles who testified last year before some hearings in Los Angeles with Senator Wilson and myself. We have never really had a war on drugs. We talk a lot about it. But if you have a war, you mobilize all your assets, military and civilian. You have an objective, you conquer it.

Drug abuse may not be a problem in Mexico yet. But just as it has become a problem in Jamaica, I hope Mexico can escape that. But I doubt it. This is a serious problem for all of us.

Letters of invitation were sent to President de la Madrid and to Attorney General Sergio Garcia Ramirez. I regret that they did not want to come. We also made an offer, as I pointed out to the embassy representative in Washington, that their representative appear and inform us what they have been involved in and what we might do to cooperate more with them.

We must question our own executive branch of government as to its commitment. On October 27, 1986, President Reagan signed into law the Anti-Drug Abuse Act. The President signed the bill which said, and we quote, "I pledge the total commitment of the American people and their government to fight the evils of drugs."

That commitment, I'm sorry to say, appears to have a short life. The President's proposed budget for fiscal year 1988 included elimination of $225 million to State and local law enforcement for drug enforcement programs, something that Congress had authorized, that the President had agreed upon, and it was taken out. The educational funds of $200 million were cut in half. And if this budget was approved, which it was not, it only received 18 votes on the Senate floor, it would have cut the Customs interdiction program in half.

So we have got problems. I think the commitment needs to be continuously made and I am pledged to do that. We can't just talk tough. We have to do more than that. We have to act tough with our deals if we are going to succeed.

Let me say that after this panel we are going to have to clear the room because we are going to have an undercover agent appear. But I want to welcome the local law enforcement officials here and ask that we start with you, Sheriff Dupnik, if you will just summarize your statement, will put it in the record; please limit your statement to 5 minutes. Then I do have some questions.

STATEMENT OF CLARENCE DUPNIK, SHERIFF, TUCSON AND PIMA COUNTY, AZ

Mr. DUPNIK. Thank you, Senator. I'm addressing the Caucus today both as a representative of law enforcement and Pima County; Tucson, AZ; as well as Arizona's representative to Operation Alliance.

Tucson and Pima County are probably fairly typical of communities our size when it comes to the problems of narcotics. In the 1960's, we saw marijuana and LSD introduced into our community by the hippies and the street people. In those days, the only severe drug problems we had were opiates and heroin. Eventually, a large proportion of our younger population became involved. And in the 1970's, we were inundated with new drugs, angel dust, cocain, and so forth. The impact on our community was devastating. The violence and crime soared to new heights.

Today, we estimate that as much as 70 percent of all crime is either directly or indirectly related to drugs, including the drug alcohol. Our jails and prisons are bulging. Virtually everyone in our society is in some way personally affected by this.

Law enforcement reacted to this challenge in two ways: education and enforcement. In the enforcement area, we committed additional resources and formed task forces, first internally and later with multiagency units. We also hoped that if we showed our youngsters what dope looked like and told them it was bad for them that they wouldn't use it. So we put together our own narcotics bits and tramped off to the classrooms.

When we looked to the successs of our narcotics education efforts, we see a striking parallel with sex education. By teaching our youth about sex, we just knew we were virtually eliminating teenage pregnancy and veneral disease. Today's headlines dispel that myth. And sadly, I think we have to admit that our drug education programs have not been any more successful. New approaches obviously are needed and we are embarking on them.

I earlier said that Tucson and Pima County's problems are fairly typical and they are, except that our proximity to the Mexican border results in added crime problems. Dopers from all over the country as well as Canada come to Tucson to buy their drugs. The amount of cocaine, heroin and marijuana in and around Tucson is enormous. We are, in fact, one of the busiest communities in the United States for narcotics trafficking, a real funnel to many other areas.

As you know, the United States, about 4 years ago, initiated a massive border interdiction program in the gulf with particular emphasis on southern Florida. This effort has been extremely successful from the standpoint of arrests made and narcotics seized. One of the reasons that this program enjoys so much success is the cooperation it receives from countries in Central and South America, as well as some of the Caribbean locations.

Unfortunately, one of the efforts of Operation Hat Trick has been to ship much of the traffic to our Southwestern border. Our best information indicates that roughly one-third of all narcotics comes into the United States across and around the Mexican

border. The fact that more than 30 percent of the cocaine enters through Mexico is perhaps the most noteworthy statistic.

As Arizona's represenative to Operation Alliance, I have had the opportunity to sit on a committee that developed about a dozen different law enforcement initiatives for cooperation and participation with that Mexican Government. Realistically, we knew that some of our proposals would not be acceptable to the Mexicans. But we were concerned when we learned that Mexico had decided not to cooperate or participate at all. The effect of Mexico's refusal to cooperate relegates our enforcement activity to one size of the border. Without Mexico's participation, a difficult enforcement position is rendered almost impossible.

The increase in narcotics smuggling activity along our border has resulted in large increases in drug-related violence in our local communities. In Tucson, drug-related homicides have increased by 50 percent. The potential for more violence is higher yet. The smuggling operations in Mexico have become more organized and more sophisticated. The competition for the increased traffic has resulted in a number of turf wars with considerable violence in Mexico. There has been some spill over to the U.S. side. We now have living in Arizona, and other States as well, mafia-type drug lords who have fled from Mexico. In some of our recent homicides, suspects have been identified who are, in fact, Mexicans. In fact, some are Mexican police officers. In my role with Operation Alliance, it is my function to assist in the development of law enforcement programs that will assist the board in this regard.

I would like to note that there is considerable bitterness and resentment on the part of local officials toward the government. When plans for Operation Alliance were announced over a year ago, it was billed as a multiagency effort with considerable participation by State and local law enforcement. As the Federal agencies were beefed up, it became apparent that there was no funding for State and local participation. Either this was an oversight or there was a presumption that state and local agencies had the necessary resources for this new activity. I can assume that the latter is not true. Most of us are not able to provide adequate levels of service to our own constituents. Many of us feel that the international borders are the responsibility of the Federal Government. But in spite of that, all of us desired to participate.

I would respectfully recommend that the Congress consider increasing funding under the Anti-Drug Act of 1986 for those border States that develop border smuggling programs. In my estimate, state and local participation in Operation Alliance is vital.

Further, I would recommend that Congress pressure the administration to assume more with reference to the Mexican Government, the position taken with President de la Madrid is indefensible. Finally, I would like to say that I view drug problems that I see like any other. We are unable to deal with these problems because we have come to tolerate them as a nation. The average American feels overwhelmed by crime. Most feel that nothing can be done so they retreat into their homes, put locks on their windows and try to ignore the problem. When we convince people that in fact something can be done and is being done, they will join us in developing programs from the schools and for the home.

The administration has stated that drugs present the greatest threat to our national security. Having made that statement and then threatening to veto second-year funding for the drug bill brings to mind the old adage about the money in the mouth. "Just say no" is a good thing. But if the government is serious about the problem, it is absolutely essential that it provide more funds for the solution.

The solution to the drug problem lies in enforcement, enducation, and treatment. To say that all those areas are substantially ineffective at present would be an understatement. If our government is going to assume the leadership role, it must do so with more than just a slogan.

Unfortunately, I believe that Chicken Little is right. The sky really is falling.

Thank you.

Senator DECONCINI. Sheriff Dupnik, thank you.

Sheriff Judd.

STATEMENT OF JIMMY JUDD, SHERIFF, COCHISE COUNTY, AZ

Mr. JUDD. Thank you, Senator DeConcini. And I appreciate you asking us to be here today.

I'm from Cochise County down on the southern part of the State representing law enforcement from that county. In the private conversations of the smuggling families on the city streets, in the bars, and in the school yards, it is referred to as El Coridor, The Corridor. From hundreds and even thousands of miles south come enormous shipments of marijuana, cocaine and opium to safe houses located a few miles south of this 23-mile gateway of the United States-Mexico border in Cochise County.

Buyers and sellers from all over the country make their deals and the contraband is loaded into cars, trucks, campers or backpacks and transported through the forest, border fence or busy ports of entry. None of the 83 miles of United States-Mexico border in Cochise County is avoided as potential crossing points. But the corridor is the most popular. The numerous ranches, farms and roads along the border make inconspicuous storage places and travel routes. Occasionally a load is detected and an arrest is made. Generally, the stuff just gets through.

The interdiction by law enforcement resources has greatly increased since the formation of the counties' multiagency task force in May of this year. Agents assigned to the unit have made 25 narcotic arrests, recovered $3 million in contraband and seized 14 motor vehicles. All this with agents working an average of 2½ days a week. Lack of overtime funds, 40-hour work weeks, insufficient support staff and operating funds have severely limited the unit's effectiveness.

The efforts of this unit have proved productive. Yet the results have had little effect on the smugglers' operations. All around us we see people from all walks of life reaping the benefits of the lucrative smuggling trade. And we see the crippling effect the wares of their trade have on the user, who seems to continue to have an unlimited supply. The gateway from Mexico is the route being used. No single agency, no single effort will be successful in staying

afloat. As educators, parents, church leaders, and other concerned individuals in groups work to reducing the demand, a concerted police effort to reduce the supply must be concentrated at this popular smuggling gateway.

Organized efforts have had successes. The smuggling business is attractive. It is lucrative, it is successful. To stop a wound from bleeding, it was once believed you should constrict the appropriate artery. It is now known that direct pressure is the appropriate treatment. The United States-Mexican border is bleeding. With appropriate resources, enough pressure applied long enough in the form of a consolidated police effort, an aggressive prosecution, we believe the bleeding will stop, at least here, at least now. At least enough to allow other means such as awareness and education to begin to have a chance to work.

As one 25-year-old man following his arrest on cocaine trafficking charges put it, we are all crazy. We have to have coke. We get it however we can. We steal from you, we steal from each other. We are killing ourselves and we don't know how to stop. We don't want to stop.

Well, we know how to stop. We just need a chance. Without each other, without funding, without caring, we don't have a chance. Senator, I think it boils down to this: It is all money. If, in fact, the Federal Government has declared war on drugs, then let's prove it. The local agencies need help. We are underfunded just for the problems that arise normally.

I thank you.

[Letter to Senator DeConcini follows:]

JIMMY V. JUDD
SHERIFF

County of Cochise

DALE LEHMAN
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BISBEE, ARIZONA 85603

August 06, 1987

Senator Dennis DeConcini
United States Senate
Caucus on International Narcotics Control
Washington, D.C. 20510

Dear Senator:

The drug smuggling problem in Cochise County developed over the years due to:

1. Pressure by law enforcement in Florida and California.
2. The lack of resources to effectively patrol and monitor the eighty-three miles of border fence.
3. A low emphasis on drug enforcement and prosecution.
4. The large demand for drugs in the U.S. and readily available supply in the Mexican community.

The effective interdiction of drug smuggling activities requires a predictable and consistant law enforcement effort. No single police agency on the Federal, State, County or Local level has the present ability to do this.

The problems currently confronted by these agencies are:

1. Local agencies respond to a variety of calls for service related to protection of life and property. These requirements alone severely stretch existing budget allocations.

2. Federal agencies are not able to adequately man border operations - neither at the ports of entry nor along the border fences.

3. Budget allocations based on normal caseload do not accomodate the additional manpower, equipment and operating funds required for narcotics investigations.

4. Drug traffickers have all the tools: mobility, communications, manpower, time and money.

The recent formation of multi-agency task forces designed to pool all existing law enforcement resources has proved effective in some areas. Attached are three documents explaining the formation and structure of the Cochise County Border Alliance Group.

1. A grant application to the State of Arizona for initial support staff and equipment.

2. Border Alliance Group Structural and Operational Guidelines.

3. Operational Guidelines for the Administration of Intelligence and Investigative Information.

This group began working May 1st. of this year. The twenty-five arrests, three million dollars in seized narcotics and fourteen vehicle seizures effected since that time is a significant effort. Especially striking is that this has been done with virtually no money. Mandated forty-hour work weeks due to the lack of overtime funds, no buy money, minimal surveillance equipment, no operational funds - all add up to a dark side of the picture. We haven't even made a dent. We haven't scratched the surface. We haven't done a thing to curb the flow of illegal substances into the United States from Mexico through Cochise County.

Those arrested in most cases have been mules - simply paid to transport. The real smugglers are going untouched.

Conclusion: The combined efforts of all law enforcement agencies is a necessary key to our success.

Effective, efficient operations result in a natural economy. Consolidated units working on a local basis with a narrow focus seem to fit the desired mold. Tied together with State and Federal intelligence networks these units will provide the back bone of narcotics interdiction efforts in the southern part of the State.

These units will require funding for:

1. Operational expenses
   a. buy money
   b. informant pay
   c. travel and lodging

2. Overtime pay

3. Support staff
   a. intelligence analyst
   b. financial investigations
   c. information technician
   d. clerk

4. Equipment and supplies

Once operational these units will serve as the focal point for intelligence flow through the area enchancing the opportunity to arrest and prosecute narcotic smugglers and distributors.

Sincerely,

Jimmy V. Judd
Sheriff

JVJ/sds

encls.

Senator DECONCINI. Sheriff Judd, thank you very much.
Sheriff Phipps.

STATEMENT OF JOHN R. PHIPPS, SHERIFF, YUMA COUNTY, AZ

Mr. PHIPPS. Senator, thank you very much for the opportunity to come here today and testify before this committee.

Being the sheriff of Yuma County, possibly the most southwestern county in the United States, and especially Arizona, and being a law enforcement officer 25 years, I have seen the small community of Yuma grow into a major industrial community and also grow in the effect of a major narcotic problem we have with the importation of narcotics in the Yuma area.

I'm pleased to be here today to testify before you and the people present that we took a slogan in Yuma County along with the Federal Government and the State of Arizona and that is we declared war on drugs. Not only the importation, the seller, but the user. No mountain is so small or so large that we would not go after this.

In order to do so we joined Southwest Border Alliance. That is comprised of all law enforcement agencies in the southwestern part of Yuma County. The goal of Southwest Border Alliance is the consolidation of law enforcement personnel and resources which have been committed by each State, local, and Federal agency toward drugs and law enforcement to one cohesive enforcement operation. This consolidation will assure that all possible investigative leads are pursued and that narcotic violators will not profit from a fragmented police effort. This combined effort will also enable us to respond to and address each border smuggling incident and explore all aspects of the investigation.

Nine enforcement groups will utilize the full range of State, Federal, criminal and civil statutes to prosecute these individuals as well as seize and forfeit the conveyances utilized and to facilitate these ventures.

The alliance has instituted in-use program, which will include the education of civic groups in the drug program as well as educational groups of Yuma County. I would be willing to testify today and discuss some of the cases that we have been involved in. For instance, approximately 5 days prior to the inception of this new unit, 1,500 pounds of cocaine was apprehended in Yuma County, which is one of the largest seizures of cocaine in the Southwest.

We knew that declaring war on drugs in Yuma County was going to have a reverse effect. It has had a reverse effect. Our homicide rates are up, burglary and theft rates are up. But we will not stop. We will continue to go forward.

I think it is a model program for the United States and we are very proud of it. I would be willing to answer any questions you have, Senator. Thank you.

Senator DECONCINI. Thank you very much, Sheriff Phipps.

[Letter to Senator DeConcini follows:]

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CAPTAIN
ROBERT M. WALKER
CAPTAIN
C. W. "BUZ" OWEN
LIEUTENANT
LYLE G. BLAKER
LIEUTENANT

July 31, 1987

Senator Dennis DeConcini
Senate Hart Building #328
Washington, D.C. 20510

Dear Senator DeConcini:

The goal of the Southwest Border Alliance is the consolidation of law enforcement personnel and resources which have been committed by each state, local and federal agency toward drug law enforcement into one cohesive enforcement operation.

This consolidation will ensure that all possible investigative leads are pursued and that narcotics violators will not profit from a fragmented police effort. This combined unit will also ensure that adequate manpower and equipment will be avialable to respond to and address each border smuggling incident and exploit all aspects of the investigation.

This enforcement group will utilize the full range of state and federal criminal and civil statutes to prosecute these individuals, as well as seize and forfeit the conveyances utilized to facilitate these ventures and the assets gained from their criminal exploits.

The combined efforts of the Southwest Border Alliance of Yuma County have declared war on the full range of importation, sales, and usage of all narcotic substances. The Alliance has instituted end use programs which include the education of civic groups in the drug problem as well as started the DARE Programs in the elementary educational facilities of Yuma County.

I will also be willing to testify about some cases and seizures that have taken place in Yuma County. In five months, the Southwest Border Alliance has made 87 arrests as a result of 123 cases investigated. One particular case, prior to the onset of the Southwest Border Alliance, resulted in the seizure of 1,437 pounds of cocaine in Yuma County.

Senator DeConcini, I am looking forward to testifying and answering questions at the hearing in Phoenix on August 18, 1987. If you have any questions, please feel free to call on me.

Sincerely,

John R. Phipps

John R. Phipps
Sheriff

Senator DECONCINI. We will now hear from Major Gary Ross, Department of Public Safety, Criminal Investigation Bureau. Major Ross, thank you very much for being with us. I appreciate having you available for us today.

STATEMENT OF MAJOR GARY ROSS, DEPARTMENT OF PUBLIC SAFETY, CRIMINAL INVESTIGATION BUREAU, PIMA COUNTY, AZ

Mr. Ross. Thank you, Senator DeConcini. I'm going to speak from the standpoint of 18 years in Pima County originally and from the viewpoint of having seen some failures and some successes in narcotics enforcement in Arizona.

First of all, I would like to say that the local agency task forces, that is multiagency task forces that are developing throughout Arizona, are probably as successful an operation as I have ever seen in those 18 years. All of them have been immediately successful in terms of seizures and arrests. I think those programs are going to continue to grow and they are going to continue to be successful throughout Arizona.

However, I think without a renewed effort at the border areas by Federal agencies that they are going to have a terrible uphill battle ahead of them. In the 1970's, I think particularly the Customs commitment at the border area in terms of total numbers of agents was larger than it is today. After the reduction or ability to effect the transition of narcotics across the border, I think many commitments at the border had been reduced in the mid-1970's. We need to get back to a higher profile Customs commitment at the border if we are going to be successful on the interior with task forces and multijurisdiction programs over the long run.

I think drug educational programs are an absolute necessary element in Arizona of any drug enforcement strategy in the long term. Operation DARE, which is a drug awareness and resistance education program that was developed in Los Angeles, has been successful in Arizona. We were able to get a grant to get that program off the ground. We have trained 59 officers out of 25 agencies for presentation of their programs in their local communities. However, that grant was used and we don't have at this moment the means to refund that program. I think it's terribly important that we consider programs of that nature. In the long run we are going to reduce the demand for drugs.

Also, we are going to have to focus on Arizona, I think, on asset forfeiture and financial investigation if we are to effectively organize elements of narcotics and trafficking in Arizona. We have developing Federal grants for those programs, particularly in the financial investigation areas. Those programs require a larger commitment of manpower resources over a longer period of time in order to be successful in court. The goal, of course, is to break the individual organizations involved in narcotics trafficking and to put them out of business. In the long run, however, those programs are going to require out of all us a greater commitment of manpower resources that we can ill afford to provide locally.

I would like to echo Sheriff Dupnik's comment that the sky is falling. I saw statistics yesterday that indicates that for Arizona the reported 1986 heroin and morphine overdoses exceeded the pre-

vious 5 years' total. Those heroin and morphine overdoses are indicative of the added community we have in Arizona. If increases have been as large as indicated by the statistics, we are indeed in trouble again.

Senator DECONCINI. Thank you Major Ross.

We will now hear from Tom Agnos, Phoenix assistant chief of police and director of the investigations division. Thank you very much for your time and commitment to the Phoenix Police Department that you have put forth in this area.

Mr. AGNOS. Thank you, Senator, for inviting the Phoenix Police Department to participate in this hearing today. I will be summarizing a full report which I will provide you at the end of this session. I would ask your indulgence. My summary may run a minute or two over the 5 minutes that has been allocated.

Senator DECONCINI. Please proceed.

STATEMENT OF TOM AGNOS, ASSISTANT CHIEF OF POLICE AND DIRECTOR OF THE INVESTIGATIONS DIVISION, PHOENIX POLICE DEPARTMENT, PHOENIX, AZ

Mr. AGNOS. The illegal drug problem in Arizona generally can be identified with the two major urban areas along the Mexican border. This is not to say other areas of the State are unaffected, but to simply point out the fact that most of the illegal drugs go to the locations of greatest demand. That is, the large urban areas. The border area is of critical importance because of its vastness and the ease of which illicit drugs can be imported into the State. Drug enforcement has been and will remain a high priority. However, there must be a practical realization that other areas of criminal activity as well as general public safety also demand a high priority when viewed in the context of the overall delivery of police services. Phoenix is a large, growing, and dynamic community and resources must be apportioned to meet a wide variety of needs in the most economically effective and beneficial way possible. The prime responsibility for enforcing narcotics laws in the city of Phoenix rests with the drug enforcement unit assigned to the special investigation bureau of the Phoenix Police Department.

The drug enforcement unit consists of 19 detectives, 3 sergeants and 1 lieutenant operating on an annual budget of about $1.4 million. The drug enforcement unit is an undercover operation primarily concerned with identifying drug dealers, infiltrating drug rings and generally working the streets and hangouts of drug users and dealers. Their immediate objective is to impede the flow of drugs by arresting users and street dealers and taking the drugs out of circulation.

As a general rule, the drug enforcement unit does not take on cases that involve a long term investigation. When information of this nature presents itself, it is passed on to another investigative unit to follow through to conclusion. Other resources available include a property recovery unit, six street crimes units, one of which is assigned to each of the police precincts, a youth gang detail and the organized crime bureau. All of these units play an important role in our overall enforcement effort.

Although the drug enforcement unit at this time is a relatively small contingent operating on a somewhat metered budget, there are other resources in support of that operation that expands the scope of our enforcement efforts. These support programs mesh together to form a well-balanced approach to achieving a common goal.

The importance of prevention through drug education cannot be overemphasized. Althought we try to reach as many people as possible, it is not enough. Drug education is the weakest link in our overall approach to combating the drug problem. A major part of the problem in obtaining resources to mount an effective education program is our inability to convince decision makers to take the necessary steps to obtain a drug-free society a generation from now. That is not only desirable and possible, but equally important as funding enforcement programs. In fact, the only way to ensure a drug free environment in the future is to educate our young people now so they are knowledgeable about the perils and absolute insanity of developing a reliance on drugs as a means of escaping reality.

Without question, cocaine has become the most prevalent illicit drug in Arizona and there is no evidence to indicate any kind of decline in its importation and use in the foreseeable future. To the contrary, our experience indicates an increasing demand for this as evidenced by the increasing arrests and declining prices. From 1985 to 1987, there has been a substantial increase in the number of charges filed for drug sale, possession, and/or use. In 1985, the Phoenix Police Department filed 1,182 charges for these drug-related offenses. In 1986, this number increased to over 2,000. And by the end of 1987, we are projecting this figure to reach 2,700 charges filed.

Several important observations can be made from the increased arrests and declining cost indicators. First, there is an overabundance of cocaine in the marketplace that is subjecting the product to competition in the free enterprise system. As a result, prices are being reduced rapidly and drastically to clear out inventories. Perhaps the most significant observations that can be made is that the competitiveness of the market reduces the probability that cocaine distribution, at least in Arizona, is controlled by a single cartel or a few organized crime families. The availability of the drug is hardly prevalent and widespread to meet the qualifications of being systematically controlled.

The dramatic increase in charges filed against those persons' viewing of the drug arena is yet another example of how widespread illicit drug use has become. Drug abuse has graduated from the poor and uneducated to fashionable salons and corporate boardrooms inhabited by the wealthy and sophisticated. Drug abuse, especially cocaine, transcends all levels of our society and spares none from the agony of its use. The alarming aspect of the increased number of charges filed is that there was no increase in police drug enforcement manpower during any of the 3 years involved.

There are other forms of drug abuse. The cocaine problem is so pervasive and has so overshadowed other types of drug abuse that one might be lulled into a false belief that other types of drug use are on the decline. This is not the case. Heroin and marijuana use

still remain a major problem and commands the attention of all law enforcement agencies. The use of amphetamines, speed, continues to be a serious drug abuse problem. The distribution of amphetamines appears to have the closest relationship to organized crime that we believe exists in Arizona. For some reason, the domain of outlawed motorcycle gangs' drug addiction spawns some illegitimate offspring with names like burglary, robbery and theft. Unless one is wealthy and able to support a habit independently, the average user must raise money on a frequent and often daily basis to support his or her habit. The most common way to raise the money needed to support drug habits is to steal the money or property of others.

If law enforcement estimates are correct, some 50 percent and perhaps as high as 70 percent of all property crimes are related to drug abuse. We can project the property loss associated with drug abuse to be in excess of $33.5 million for the city of Phoenix for the year 1987.

Virtually all of the illicit drugs coming into Arizona for local distribution as well as an increasing amount for interstate distribution is coming across the Arizona-Mexico border. A vast area such as the Arizona-Mexico border presents an opportunity to drug smugglers to carry out their sordid trade with relative ease. And we fear in some instances large shipments of drugs are being flown in for transshipment to other locations. However, our experience indicates these kinds of singular large shipments into the Phoenix metropolitan area are infrequent. On the other hand, there exists a consistent body of information that indicates most of the cocaine coming into Phoenix is arriving in relatively small amounts, that is five kilograms or less, having been carried into the State by what has been described as an army of ants. Some of these drugs are on a common path to a safe house for storage until a sufficient amount is gathered and ready for distribution to other States.

Much of the cocaine entering the State is not destined for wide distribution and simply enters the marketplace to be sold to major dealers opertating within the State. The declining price of cocaine indicates a substantial amount is staying in Arizona. There is mounting concern that Arizona is growing in importance as a major cocaine importation and distribution center. We do know the availability of cocaine is increasing, the demand is remaining high and the price is declining. When we couple this data with intelligence information regarding the increased movement of drugs through Mexico, we can arrive at a reasonably valid conclusion that a shift in point of entry locations is occurring. This shift is probably being caused by an intensified movement in Florida that will impact Arizona as well as other border States and the gulf coast States.

Before any meaningful progress can be achieved, we must, as a civilized nation, commit ourselves to a long-term program that will eliminate the demand for illegal drugs in our society. Illicit drugs are not going to disappear in 1 year, 5 years, or even 10. The demand is too great and the network of supply too well entrenched. The problem cannot be solved by law enforcement alone. It is folly to believe that a "get-tough" policy is all that is needed to quash the disease. A get-tough policy might work if the program were

contained wholly within our own border. However, this is not the case. At least half the problem lies beyond our border and outside the influence of our laws. We need to set a goal for removal of illegal drugs from our society by the next generation. If we accomplish this goal sooner, so much the better.

The remainder of my statement, Senator, goes on with some recommendations at the Federal level, basically saying the same as my other colleagues here present that we need more Federal influence to conduct the war on drugs and that any Federal money that is available, the bulk of it must go to the cities of our country. This is where the drug problem is. It is on the streets of our cities and in the major urban areas.

Senator DECONCINI. Thank you very much, Mr. Agnos.

[Prepared statement follows:]

THE ILLEGAL DRUG PROBLEM IN PHOENIX, ARIZONA

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A REPORT
PRESENTED TO
THE
SENATE CAUCUS ON INTERNATIONAL NARCOTICS CONTROL

BY

THE PHOENIX POLICE DEPARTMENT

THOMAS J. AGNOS
ASSISTANT POLICE CHIEF
CRIMINAL INVESTIGATIONS DIVISION

The illegal drug problem in Arizona generally can be identified with the two major urban areas and along the Mexican border. This is not to say other areas of the state are unaffected but to simply point out the fact that most of the illegal drugs go to the locations of greatest demand, i.e., the large urban areas. The border area is of critical importance because of its vastness and the ease with which illicit drugs can be imported into the state.

Drug enforcement has been, and will remain, a high priority endeavor with the Phoenix Police Department. However, there must be a practical realization that other areas of criminal activity as well as general public safety also demand a high priority when viewed in the context of the overall delivery of police services. Phoenix is a large, growing and dynamic community and resources must be apportioned to meet a wide variety of needs in the most economical, effective and beneficial way possible.

ENFORCEMENT PROGRAM

The primary responsibility for enforcing narcotics laws in the city of Phoenix rests with the Drug Enforcement Unit assigned to the Special Investigations Bureau of the Phoenix Police Department.

The Drug Enforcement Unit consists of eighteen detectives, three sergeants and one lieutenant operating on an annual budget of about 1.4 million dollars. The Drug Enforcement Unit is an undercover operation primarily concerned with identifying drug dealers, infiltrating drug rings, and generally working the streets and hangouts of drug users and dealers. Their immediate objective is to impede the flow of drugs by arresting users and street dealers and taking their drugs out of circulation. As a general rule the Drug Enforcement Unit does not take on cases that involve a long-term investigation. When information of this nature presents itself, it is passed on to another investigative unit to follow through to conclusion.

Although the Drug Enforcement Unit has primary responsibility for enforcing narcotics laws, the unit is supported, on a selective basis, by other department resources. One such resource is the Property Recovery Unit. The Property Recovery Unit consists of some sixteen detectives and sergeants and also is assigned to the Special Investigations Bureau. This unit conducts "sting" operations with drug users as their primary target. The reason for targeting drug users is based on our belief that there is a high correlation between property crimes and persons who steal in order to raise money for the purchase of illegal drugs.

Briefly, the Property Recovery Unit is an undercover operation wherein detectives pose as "fences" in order to buy stolen property. Suspects are identified, linked to specific crimes and later arrested. This type of program enables us to wield a double edged sword by attacking both the supply and demand sides of the drug problem. Additionally, the Patrol Division operates "mini-stings" in each of the six police precincts so that at any given time there may be up to seven property recovery programs operating simultaneously.

Other resources available include six Street Crimes Units, one of which is assigned to each of the police precincts, a Youth Gang Detail and the Organized Crime Bureau. All of these units play an important role in our overall enforcement effort.

STREET CRIMES UNIT

The Street Crimes Unit has primary responsibility for supporting burglary detectives in suppressing property crimes. However, the high number of drug users involved in these types of crimes necessarily exposes the officers to significant drug investigations.

YOUTH GANG DETAIL

The Youth Gang Detail or Gang Squad specializes in coordinating departmental efforts to suppress street gang activity. Drugs play an important role in street gang culture causing this unit to become extensively involved in drug enforcement activity. Additionally, the Gang Squad is an important link in providing intelligence information on several California gangs who are heavily involved in the transport and sale of cocaine. These gangs and their impact on Phoenix will be discussed later in this report.

ORGANIZED CRIME BUREAU

In addition to other responsibilities, the Organized Crime Bureau undertakes long term or complex drug conspiracy investigations involving major narcotics dealers. The Bureau also gathers and disseminates intelligence information on the movement of narcotics and the activities of outlaw motorcycle gangs. The Organized Crime Bureau works closely with state-wide, out-of-state and federal law enforcement agencies, as well as with the various investigative units within the Phoenix Police Department. Members of the Organized Crime Bureau frequently participate in task force type operations involving all of the aforementioned agencies.

Although the Drug Enforcement Unit is a relatively small contingent operating on a somewhat meager budget, there are other resources in support of that operation that expands the scope of our enforcement programs. These support programs mesh together to form a well balanced approach to achieving a common goal.

DRUG EDUCATION

The importance of prevention through drug education cannot be over-emphasized. The Phoenix Police Department conducts drug education and prevention programs to the extent resources will permit. These programs are developed and presented by officers of the Community Relations Bureau to a broad based audience ranging

from primary school children to professional organizations. Although we try to reach as many people as possible, it is not enough. Drug education is the weakest link in our overall approach to combating the drug problem.

A major part of the problem in obtaining resources to mount an effective education and prevention program is our inability to convince decision-makers that taking the steps necessary to attain a drug free society a generation from now is not only desirable and possible, but equally as important as funding enforcement programs. In fact, the only way to insure a drug free environment in the future is to educate our young people now so they are knowledgeable about the perils and absolute insanity of developing a reliance on drugs as a means of escaping reality. We can no longer ignore the demand for drugs. Our citizens must make a conscious decision not to use drugs if we are to achieve any lasting success. In order to make such a decision they must have an understanding of the problem.

SCOPE OF THE DRUG PROBLEM

Without question, cocaine has become the most prevalent illicit drug in Arizona and there is no evidence to indicate any kind of decline in its importation and use in the foreseeable future. To the contrary, our experience indicates an increasing demand for this insidious product as evidenced by increasing arrests and declining prices.

In 1985 a kilo of cocaine cost $70,000. By 1986 the cost had dropped to $33,000. Today the cost is about $25,000 for the same kilo and frequently can be negotiated down to $20,000 to $22,000, depending on the amount to be purchased. By contrast, the price of heroin and marijuana has remained fairly stable over the same period, showing a far less dramatic decline in price for heroin and no fluctuation in price for marijuana.

From 1985 to 1987 there has been a substantial increase in the number of charges filed for drug sale, possession and/or use. In 1985 the Phoenix Police Department filed 1,182 charges for these

drug related offenses. In 1986 this number increased to 2,203, and by the end of 1987 we are projecting this figure to reach 2,722 charges filed. During the first six months of 1987, the Drug Enforcement unit has seized some 33 pounds of cocaine with a street value of about 1.5 million dollars. This compares with 60 pounds seized for all of 1986. Projecting 1987 out it appears there is a very good chance that seizures will increase significantly in 1987 over 1986. The total street value of all drugs seized by the Phoenix Police Department so far in 1987, i.e., cocaine, heroin, marijuana, hashish, pills, etc., stands at 4 to 5 million dollars.

Several important observations can be made from the increased arrest and declining cost indicators. First, there is an overabundance of cocaine in the marketplace that is subjecting the product to competition in the "free enterprise" system. As a result, prices are being reduced rapidly and drastically to clear out inventories. The other side of this argument might lead one to conclude that the overabundance is being caused by a declining demand for cocaine. I do not believe this to be the case in this instance. Every indication is that the demand continues to grow and that production is outrunning demand simply because of the ease and low overhead costs of producing cocaine and the potential for enormous profits - no matter what the street sale price may be.

Perhaps the most significant observation that can be made is that the competitiveness of the market reduces the probability that cocaine distribution, at least in Arizona, is controlled by a single cartel or a few organized crime families. The availability of the drug is far too prevalent and widespread to meet the qualification of being systematically controlled. If traditional organized crime elements were in control of importation and distribution, we would have experienced at least a price stablization and, more likely, even an increased rather than decreased cost.

The dramatic increase in charges filed against those persons dealing in the drug arena is yet another example of how widespread illicit drug use has become. Drug abuse has graduated from the secretiveness of shabby back rooms inhabited by the poor and uneducated to fashionable saloons and corporate board rooms

inhabited by the wealthy and sophisticated. Drug abuse, especially cocaine, transcends all levels of our society and spares none from the agony of its use.

The alarming aspect of the increased number of charges filed is that there was no increase in police drug enforcement manpower during any of the three years involved.

OTHER FORMS OF DRUG ABUSE

This report has not yet addressed the on-going problem of heroin, marijuana and other types of illicit drugs. The cocaine problem is so pervasive and has so overshadowed other types of drug abuse that one might be lulled into a false belief that other forms of illegal drug use are on the decline.

Although a Drug Enforcement Administration study indicates a decline in heroin addicts/users between 1977 and 1980, the number of addicts/users leveled out in 1980 and has been holding steady at about 500,000. Heroin and marijuana use still remains a major problem and commands the attention of all law enforcement agencies.

In Arizona there has been a sharp decline in the demand for brown powder heroin. Although the market has not dried up, brown heroin no longer enjoys its previous popularity. Unfortunately, brown heroin has been replaced with a tar-like heroin called a "tootsie roll." "Tootsie" heroin derives its name from its physical appearance in that it resembles a candy tootsie roll.

Heroin in the "tootsie roll" form is substantially more potent than powder heroin and significantly more expensive. Brown heroin, which is normally 30%-40% pure, sells for about $28,000 per kilo. By contrast, "tootsie" heroin, which is about 90% pure, sells for approximately $128,000 per kilo.

Marijuana has remained stable both in price and availability with no notable changes having occurred regarding its general popularity. Common marijuana currently sells for about $1000 per pound while high grade marijuana can go for as high as $2000 per pound.

The use of methamphetamine (speed) continues to be a serious drug abuse problem. Earlier in this report the lack of organized crime ties to cocaine was discussed. The production and distribution of methamphetamine appears to have the closest

relationship to organized control that we believe exists in Arizona. For some reason, production and distribution of speed has fallen under the almost exclusive domain of outlaw motorcycle gangs.

YOUTH GANG INFLUENCE

Over the last twelve to fifteen months Phoenix has become a popular visiting place for two Los Angeles area gangs called the "Crips" and "Blood". Elements of these two gangs have graduated from street gang status to cocaine dealing.

The attraction to Phoenix, as well as other western and midwestern cities, is based on economics. While the price of cocaine in Phoenix is roughly $25,000 per kilo, the same kilo in Los Angeles can be purchased for about $13,000. It doesn't take a rocket scientist to figure out the value of driving or flying a few hundred miles to almost double one's investment.

The specialty of these gangs is the production and sale of "crack". A gram of cocaine will yield from 15-25 individual "hits," with each "hit" selling for $5 to $10. A quick tabulation indicates the enormous profit to be made. One kilogram of cocaine equals 1,000 grams. Using 20 "hits" per gram as the average, a kilo of cocaine will yield 20,000 "hits". By multiplying the 20,000 individual "hits" by the low side sale price of $5, the original $13,000 investment turns into $100,000 - - a very tidy untaxed profit of $87,000 for each kilo of cocaine.

The method of operation of these two gangs is to send a contingent of members, numbering perhaps fifty or sixty people, to a city like Phoenix. This contingent is divided into four, five or six smaller groups, with each member carrying a relatively small amount of cocaine. When pulled back together, each group may have only one or two kilos of cocaine. The purpose of this kind of "muleing" system is to minimize the loss of drugs if one or two members are arrested en route. The other advantage is that if a member is arrested, the amount of cocaine in his or her possession is small enough it would no doubt be considered "only for personal use". The person stands a very good chance of being released from jail on a very low bail or no bail at all.

The goal of the gang is to meet in the target city and set up four or five "crack" houses at different locations. The houses

are either rented or simply taken over through threats and intimidation. The theory behind multiple locations is the same as the transportation procedure. If one house is discovered and put out of business, the other three or four still will turn a profit sufficient to make it worthwhile.

The "crack" houses are supported by security, lookouts, communications, and sometimes a delivery service. They stay in operation only a short period of time, often 24 - 48 hours. Then they pack up and proceed back to home base with as much as a half million dollars in profits for a day's work. The cycle then begins again.

Local street gangs pose a far less serious drug distribution threat than the out-of-state operation. Although drug abuse remains a part of local street gang culture, the gangs are small in number and relatively disorganized. Part of the reason for the lack of local street gang activity in drug distribution is the Phoenix Police Department's continuing efforts to neutralize effective gang leadership through a program that targets individual leaders and members for swift and effective prosecution whenever they are involved in criminal activity.

OTHER CRIMINAL ACTIVITY

Drug addiction spawns some illegitimate offspring with names like burglary, robbery and theft. Unless one is wealthy and able to support a habit independently, the average user must raise money on a frequent, and often a daily basis, to support his or her habit. Although the price of cocaine is declining, it is still very expensive to the average wage earner and the unemployed. The most common way to raise the money needed to support a drug habit is to steal the money or property of others.

If law enforcement estimates are correct, some fifty percent, and perhaps as high as seventy percent of all property crimes are related to drug abuse.

From January through June 1987 there were 38,971 Part I property crimes reported to the Phoenix Police Department resulting in an economic loss of $33,445,940. Using the 50% estimated figure linked to drug abuse, the property loss for the first six months of this year is $16,722,970. Assuming the crime rate will remain

about the same for the last six months of the year, we can project the property loss associated with drug abuse to be about 33.5 million dollars for the city of Phoenix for one year.

IMPORTATION OF DRUGS INTO ARIZONA

Virtually all of the illicit drugs coming into Arizona for local distribution, as well as an increasing amount for interstate distribution, is coming across the Arizona/Mexico border.

Our inability to effectively patrol a vast area such as the Arizona/Mexico border presents an opportunity for drug smugglers to carry out their sordid trade with relative ease and little fear of detection. In some instances large shipments of drugs are being flown or transported by vehicle across the border and into Arizona for transshipment to other locales. However, our experience indicates these kinds of singular large shipments into the Phoenix metropolitan area are infrequent.

On the other hand, there exists a consistent body of information that indicates most of the cocaine coming into Phoenix is arriving in relatively small amounts, i.e., five kilograms or less, having been carried into the state by what has been described as an "army of ants". Some of these drugs are on a common path to a "safe house" for storage until a sufficient amount is gathered and readied for distribution to other states. When the full shipment is ready, a "broker" or "distributor" characteristically arrives from Florida, Puerto Rico or California to direct the delivery and arrange for payment. The "broker" gets a percentage from one or both ends of the transaction.

Much of the cocaine entering the state is not destined for wide distribution and simply enters the marketplace to be sold to major dealers operating within the state. The declining price of cocaine indicates a substantial amount is staying in Arizona.

There is mounting concern that Arizona is growing in importance as a major cocaine importation and distribution center. Unfortunately, there exists no accurate way to measure the amount of illicit drugs entering the state so that comparisons can be made with previous time periods. We do know the availability of cocaine is increasing, demand is remaining high, and the price is declining. When we couple this data with intelligence information

regarding the increased movement of drugs through Mexico, we can arrive at a reasonably valid conclusion that a shift in point of entry locations is occurring. This shift is probably being caused by an intensified enforcement program in Florida that will impact Arizona as well as the other border states and the gulf coast states.

RECOMMENDATIONS

Before any meaningful progress can be achieved, we must, as a civilized nation, commit ourselves to a long-term program that will eliminate the demand for illegal drugs in our society.

The key to our success is a commitment to such a long term program. Illicit drugs are not going to disappear in one year, five years or even ten. The demand is too great and the network of supply too well entrenched. The problem cannot be solved by law enforcement alone. It is folley to believe that a "get tough" policy is all that is needed to cure the drug disease. A "get tough" policy might work if the problem were contained wholly within our own borders. However, this is not the case. At least half the problem lies beyond our border and outside the influence of our laws.

We need to set a goal for eradication of illegal drugs from our society by the next generation. If we accomplish this goal sooner, so much the better. To meet this goal the following combination of actions should be taken at the federal level.

1. Development of bi-partisan leadership at the national level.

   This leadership should be in the form of a Commission made up of key members from the executive, legislative and judicial branches of our government. This Commission would serve as the policy-making body for a war on drugs. They would set goals and objectives, determine priorities, seek appropriations from Congress, recommend foreign policy positions in our dealings with drug producing and drug processing countries, and insure the continuance of a consistant drug eradication program.

   The Commission would be advised through the establishment of an "advisory board" made up of persons knowledgeable about the drug problem.

2. Appropriate federal monies to be distributed to states and major urban areas.

   It is essential to provide funding to major urban areas as a separate and distinct program from state awards. The drug problem is based in our cities and that is where the bulk of financial assistance should be directed.

3. Appropriate federal funding at a level sufficient to promote a massive nationwide campaign of prevention through education.

4. Promote the development of strong asset siezure and forfeiture laws among all the states.

5. Federal sharing of forfeited assets with local and state law enforcement agencies should be encouraged through the immediate release of assets already accumulated.

6. Consider the feasibility of making military technology available to the border states as has been done in Forida.

7. Encourage and provide federal funding to establish federal-local narcotics task forces at our nation's major airports.

Senator DECONCINI. Let me just ask all of you, first of all, is it your opinion that in your terms of war on drugs, has the Federal Government declared war on drugs? Do you think it is a war effort, Sheriff Judd?

Mr. JUDD. You know, I was in the service and I always understood that if you declared war, you went out there to win it. As far as I'm concerned, the Federal Government has not declared war on drugs. We have declared war on drugs with our limited resources. And until the Federal Government, as far as I'm concerned, starts caring and doing something about it, I don't think they have.

Senator DECONCINI. Little bit overused term, you would say?

Mr. PHIPPS. On declaring war on drugs in Yuma County, I would say yes, we have done that. We took the assumption that when that criminal or suspect or crook, if you will, comes across that border, he doesn't care what jurisdiction he is committing what crime in, so why should we in our unit? Some things that we could do for the Federal Government, I believe, to help us declare a national war on drugs would be possibly help communicate with the Mexican officials in some manner to try to cut the red tape for problems that we encounter on a local basis day by day. I can get into some of those later if you would like.

Senator DECONCINI. Major Ross, do you think the State of Arizona has declared war on drugs?

Mr. ROSS. Yes, I believe we have to the extent of the resources we have available to do it. I would like to take this opportunity to say as well that both Customs and DEA is as committed as we have ever been to narcotics enforcement. I think they have limitations and resources in Arizona to combat the problem.

Senator DECONCINI. I guess I appreciate what you are saying. And I don't want to put you in an adversary position on behalf of the State of Arizona, but I certainly don't think the Federal Government has declared war on drugs. And I just wondered if the State of Arizona has really maximized what it can do.

Mr. ROSS. I think that the support is there, particularly with some of the State and Federal funding that will be available to criminal justice this year for drug enforcement. It won't be nearly enough, nor do I think the Federal agencies have the support from the Federal Government they are going to need to combat the war on drugs in Arizona.

Senator DECONCINI. Sheriff Dupnik, in your statements you make reference to the Federal Government having abandoned its commitment to the Anti-Drug Abuse bill towards local law enforcement agencies. Am I correct that it is your opinion that after one year of Operation Alliance and no funding for the local, State operation, is your judgment, that it is an abandonment of the commitment?

Mr. DUPNIK. That is not only my opinion, but I think that's the opinion of every law enforcement officer who operates along the Mexican border.

Senator DECONCINI. Has that been conveyed to the advisory group you sit on?

Mr. DUPNIK. Most emphatically.

Senator DECONCINI. What is their response when you bring that type of statement forward?

Mr. DUPNIK. The response that we have received from the highest levels of government was that there has never been any intent for Operation Alliance to include any resources of any kind for local government.

Senator DECONCINI. Is there any question about the $225 million that was authorized under the Anti-Drug Abuse bill for local and State government? Does that ever come up in your——

Mr. DUPNIK. That is the response, that that's the purpose of that money. But in my judgment, that doesn't hold true because each State was dealt with on a proportionate basis based on their population. And the border States weren't given any higher percentage of funds than any of the other States.

In my judgment, if the government is serious about trying to encourage local law enforcement to participate in a greater way with the border interdiction effort, they need to take some of the money that they have funded under the Anti-Drug Abuse Act and provide it to those States, as I said in my prepared statement, to those agencies, to those governmental entities who develop antismuggling drug programs. It seems like an intelligent approach to me.

Senator DECONCINI. But there has been no request from the administration for those funds.

Mr. DUPNIK. As a matter of fact, when we met with Attorney General Meese in Tuscon, I think back in February, we were told that the adminstration was going to recommend that there not be any funds for second-year funding at all for State and local.

Senator DECONCINI. And of course you had an opportunity to express your views there, I presume?

Mr. DUPNIK. Most emphatically I did.

Senator DECONCINI. And the results were no change of heart that you know of?

Mr. DUPNIK. No. The economy, I was told, had a much higher priority than the drug problem.

Senator DECONCINI. That was from the Attorney General?

Mr. DUPNIK. Yes, sir.

Senator DECONCINI. Your opening statement, you indicate that you have had some communication with Attorney General of Sonora, Carlos Robles. Has this increased cooperation between your department and the Mexican law enforcement agencies at all?

Mr. DUPNIK. Yes. We have an excellent relationship. And I don't think that the comments that we make that are critical of the Mexican Government should flow to all government officials in Mexico and all law enforcement officers.

Senator DECONCINI. Carlos Robles would be one of those exceptions?

Mr. DUPNIK. He is not only a fine gentleman, but he is a person of character and professionalism and integrity and has, on more than one occasion, assisted us in Pima County very substantially.

Senator DECONCINI. Have you witnessed any substantial increase from the Mexican Government besides Carlos Robles? It was publicized recently how much they are doing and they have lost a number of soldiers in their efforts. But I wonder if you have seen any real stepped-up efforts in the attack on drug smugglers in Mexico, Mexican Government.

Mr. DUPNIK. Well, Senator, I think there is conflicting information regarding some of the statements that you just made as to what is going on inside Mexico. Some of the information that we have would indicate that some of those troups are being killed, some of those police officers are being killed not in traditional eradication efforts or seizure efforts, interdiction efforts, but because of turf wars.

But to answer your question, my own opinion is that the government does not have a substantial effort to eradicate drugs.

Senator DECONCINI. Sheriff Judd, do you agree with that statement?

Mr. JUDD. Yes, I do. We also have some fine folks across the border that we deal with. However, it is a system where they don't stay very long. They are removed and we have to start all over again. But I see no substantial effort on their part to eradicate drugs.

Senator DECONCINI. Your own Cochise County Border Alliance group in May has produced some very impressive results. What law enforcement agencies are actually involved in that?

Mr. JUDD. Well, I'm happy to say that we have not only locals, but the Federal agencies, U.S. Customs, the Border Patrol, DEA, Arizona Department of Public Safety, Sheriff's Office.

Senator DECONCINI. You have put together a really coordinated effort there notwithstanding the difficulties of Federal and local law enforcement.

Mr. JUDD. And I wanted to report that this group is working great. The morale is good, the Federal agencies are doing a bangup job. We are proud of the organization. But I would think, as I said in my statement, that we just don't have the funds. People working two and a half days a week, that's all we can afford.

Senator DECONCINI. What is the group that puts that together besides your leadership?

Mr. JUDD. I think it is a commitment on the part of all the agencies that something had to be done and we just put it together and it's working great. We hate this drug problem and we are going to fight it.

Senator DECONCINI. Your biggest problem is lack of financial resources to put this together on a full 24-hour basis, so to speak?

Mr. JUDD. The desire is there if we just had the funds. If we look at the other side, at the drug traffickers, if we just had an "nth" percent of the money they have to deal with, we could really have a war.

Senator DECONCINI. Your testimony talks about the corridor and the mules that are bringing the drug trafficker's paraphernalia, actual contraband into the country. From what you were able to learn from these cases that you have made there, are the drug smuggler organizations, are they controlled by Mexicans or Colombians?

Mr. JUDD. Well, from what we can gather, they are controlled by the Mexicans. And they make their deals with the Colombians that bring it up from further south.

Senator DECONCINI. So these organizations are operated in Mexico as well as Colombia?

Mr. JUDD. Yes. And there are many operating in the United States also.

Senator DECONCINI. As well. We had hearings in New York City. The DEA laid out quite a case of Colombia organized crime families in that part of our country.

Do you have any information that that's the case here in Cochise County or Arizona?

Mr. JUDD. No, I do not, Senator.

Senator DECONCINI. Major Ross, do you have any information along that line as to the Colombia organized crime effort in drugs as it relates in Arizona?

Mr. ROSS. It's not evidenced, Senator, in Arizona. It's mostly evidenced in the Mexican connection in Arizona as well as in terms of drug trafficking and all.

Senator DECONCINI. Sheriff Phipps, you became Sheriff back in 1980, I think it was. Yuma then was the emerging corridor for drug smuggling. And you have put together quite an impressive effort down there with your limited resources. Statistically, what kind of cases have you made? How many have you been able to make?

Mr. PHIPPS. Senator, with the inception of the Southwest Border Alliance, in the last 3½ months we have put together some 127 cases and 90 arrests. Like I stated earlier, it's a total effort of all agencies involved, the Federal Government, state and local.

Senator DECONCINI. You have a good cooperative effort with the Federal agencies?

Mr. PHIPPS. Exactly. We have had telephone conversations, we have had people flying in from other law enforcement counties. Dade County came into Yuma County to take a look at our effort, questioning how does it work? How can it work? And if you want it to work, it will work.

Again, with the limited amount of resources that we have to do the job, speaking on the subject of trafficking, we experienced some time back, in the past year or two years, about some Cubans being the mules that were driving the vehicles and stuff. And it was quite interesting interrogating some of these Cuban personnel, some of them being from the boat lift.

But to answer the question about the Colombians, we haven't noticed that in Yuma County.

Senator DECONCINI. I take it, Major Ross and the three sheriffs here, that you are very satisfied and quite complimentary of the Federal participation in your local efforts?

Mr. PHIPPS. I might say, Senator, the Federal effort on the local level, we do need more help like I said earlier on the national level and especially in the area of redtape. When a program is working, I think it doesn't need to be fixed. What I mean by that, if we request something on a Federal level of information derived through intelligence, I think that should have priority.

Senator DECONCINI. I guess I'm trying to put it together that the seeds are there.

Mr. PHIPPS. Yes.

Senator DECONCINI. The initial commitment from the Federal agencies that you deal with at a local level is there? There is no question about it in your mind?

Is that your feeling too, Major Ross, that they are dedicated and committed to it as our country and our chief executive has said, the problem is resources——

Mr. PHIPPS. Exactly.

Senator DECONCINI [continuing]. To not only support and sustain our own effort but certainly to cooperate with you? Is that a fair analysis?

Mr. Ross. Yes.

Senator DECONCINI. We really want to do something here. We have to bring about some assets being committed to this effort as well as the great law enforcement people that we have.

Have you seen some increase or substantial increase in these Federal agencies that you work with?

Mr. PHIPPS. Yes, I have in Yuma County.

Senator DECONCINI. Is that true with you, Sheriff Dupnik?

Mr. DUPNIK. Yes. I think the government is standing by its commitment to beef up Customs, Border Patrol, DEA, the U.S. attorney's office and so forth. Unfortunately, it's taken a year or so to try to get their staffing levels to the appropriate amount. So we really haven't see that.

Senator DECONCINI. It's just beginning now to come to fruition of the actual agencies? And is that your——

Mr. DUPNIK. Yes.

Senator DECONCINI. Sheriff Judd, have you seen some increases?

Mr. JUDD. I haven't seen any increases yet. I hope they come.

Senator DECONCINI. I guess what I'm getting at is that there seems to be a dribbling at least of personnel increases but there certainly is not dribbling or committed effort of substantial financial resources to help you and your local strike forces or task forces, right?

Mr. DUPNIK. There are a few problems.

Senator DECONCINI. Major Ross, what is your reaction to the question I asked about the Mexican cooperation across the border? Do you find that intelligence sharing or cooperation in any such effort has increased? Better than it was say 1 years ago or 2 years ago?

Mr. Ross. I think from my viewpoint we do not see any organized effort in sharing intelligence information or addressing the narcotics problem. There are initial efforts where you can develop with an individual with the Mexican Government. And of course with programs where you can cultivate those, they are worth cultivating.

Senator DECONCINI. That would be more on an individual basis, is that what you are saying?

Mr. Ross. Yes.

Senator DECONCINI. Mr. Agnos, you made some reference in your statement about the Arizona drug market is being composed more of gangs in Los Angeles and what have you. Can you give us your background on the increase of that gang warfare involvement and what the significance is in Phoenix?

Mr. AGNOS. Yes, Senator. We have an interesting development over the last 12 to 15 months. Phoenix has become a popular visiting place for two gangs housed in southern California in Los Angeles called the Crips and Blood. The attraction to Phoenix is an eco-

nomic one. While the price of cocaine in Phoenix is roughly $22,000, $25,000 per kilo, that same kilo can be purchased in the Los Angeles area for as little as $13,000, $14,000. It doesn't take a rocket scientist to figure out real quickly that you travel a few hundred miles and double your investment just by traveling.

The specialty of these gangs is the production and sale of crack. A gram of cocaine will yield about 15 to 25 individual hits with each hit selling for $5 to $10. A quick tabulation indicates the enormous profits that are to be made. The original $13,000 investment becomes $100,000 in a very short period of time.

The method of operation of these few gangs is to send a contingent of members, perhaps 50 or 60 at a time into Phoenix and other Western and Midwestern cities. Phoenix is not the only target. They divide themselves into four, five, or six smaller groups, each carrying a small amount of cocaine. When they arrive in the target city, they pool back together and they find themselves some crack houses. They either rent locations or they simply take over apartments or homes through threats and intimidation.

Senator DECONCINI. What is the origin of these gangs, Colombian, Mexican, or are they U.S. citizens?

Mr. AGNOS. These are black gangs in Los Angeles. They are sizeable. They have members in Phoenix. Over the last 5 or 6 years, they have slowly developed a local membership that is small in Phoenix, but at least it provides the contact.

Senator DECONCINI. What does your intelligence tell you, if you can disclose that, as the overall number just in large terms? Are we talking about dozens of people in these gangs in from Los Angeles or a dozen or less?

Mr. AGNOS. The Los Angeles police department has informed us that we are talking in numbers of 30,000, 40,000 members in these gangs. So they are very, very large.

Senator DECONCINI. Predominately black?

Mr. AGNOS. Predominately black, yes. The goal of the gang is to meet in the target city, set up four or five crack houses. They move the drugs into a city in small amounts on individuals. And this is a protective device that if one or two are apprehended that only a small amount of the drug is lost. The same with the crack houses in setting up multiple locations. If one is taken off, the other three or four will make the trip worthwhile.

They are supported by security, lookouts, communications and sometimes a delivery service. They operate for short periods of time, 24 to 48 hours, then they pack up and proceed back home, taking back as much as a half million dollars in profits. The cycle then begins again.

Senator DECONCINI. Let me ask all of you if any of you care to comment. Forfeiture provisions under the Federal statutes where the properties are shared with local law enforcement to make the arrest, the House of Representatives Appropriations Committee took that out in monetary basis and we hope to restore it in the Senate.

But how much, if any, benefit is that to local law enforcement from the standpoint of being able to secure assets that you come across with the Federal authorities and then forfeit? Do you use that at all?

Mr. DUPNIK. Yes, we do, Senator. But the problem with seized assets is that it is impossible for government to budget on the basis of what they might or might not get. And so it has to be viewed as sort of a supplemental program.

Senator DECONCINI. Certainly not one you can count on, on an annual basis?

Mr. DUPNIK. That's correct. And one of the problems and why in most instances the Feds are starting to use the State laws because there is so much redtape involved in the Federal procedure.

Senator DECONCINI. Anybody else have any comments on forfeited assets?

Mr. AGNOS. One of the recommendations that I made in my written statement was that this is one of the essential things that we must do at the Federal level. We need to free up those asset sharing capabilities.

Senator DECONCINI. I'm looking now from legislation for an expedited legal procedure, a special court to handle forfeited assets.

Mr. AGNOS. Arizona is fortunate in that we have some very good, very effective State laws covering procedure and forfeiture and we use it extensively.

Senator DECONCINI. Gentlemen, thank you very much. I could go on for another hour. I appreciate the information you have given us. As you know, this will be part of a report that this caucus makes to the full Senate and your contribution has been extremely helpful.

We are going to take a 5 minute recess now and ask everyone to leave the chambers because we have an undercover informant who is going to be here.

Senator DECONCINI. Gentlemen, thank you. This will be the second panel and we will proceed as we did with the first panel, letting each witness summarize their statement, trying to keep it to 5 minutes so we can complete this by noon.

We will start with the U.S. Border Patrol, Mr. Thomas Wacker, assistant chief from Tucson sector.

STATEMENT OF THOMAS WACKER, ASSISTANT CHIEF, TUCSON SECTOR, U.S. BORDER PATROL

Mr. WACKER. Thank you, Senator. The U.S. Border Patrol is the uniformed law enforcement branch of the Immigration and Naturalization Service. The primary mission of the Border Patrol is to prevent and detect the illegal entry of aliens into the United States. The interdiction of narcotics and other contraband was considered incidental to normal Border Patrol activities.

Beginning in the fall of 1986, the U.S. Border Patrol was given the full responsibility of all ground interdiction efforts along the border of the United States with the exception of the ports of entry. Border Patrol agents were trained and given limited title 21 and limited title 19 authority. Thus far, 17 agents from the Tucson sector have been assigned to assist other agencies with anti-drug enforcement efforts: seven DEA, Tucson; one DPS, Tucson; two DEA, Nogales; two Border Alliance Group, Santa Cruz County; two Border Alliance Group, Cochise County; one DEA Intelligence,

Phoenix; one Pima County Border Anti-Narcotics Network; and one Pinal County task force.

The Tucson sector has a force of 186 agents and 29 supervisors patrolling approximately 280 miles of international border with Mexico. The terrain varies from vast desert to high, rough mountain ranges. Departing the border area are 22 all-weather highways which connect with two major interstate highways which are the major routes to the east coast, the west coast, and to the interior of the United States.

Of the eight Border Patrol stations, five, Douglas, Naco, Nogales, Tucson, and Ajo, have linewatch responsibilities along the 280 miles of border with a total authorized force of 158 agents. The average on-duty force to work interdiction efforts along the 280 miles of border and traffic checks at 22 roads and highways departing the border area, considering two-man units and excluding agents working with other agencies, is as follows: On the 12 midnight to 8 a.m. shift, one unit for every 35 miles. From the 8 a.m. to 4 p.m., one unit for 24 miles; 4 p.m. to 12 midnight, one unit for 25 miles.

Cooperation between the Border Patrol, Drug Enforcement Adminstration, U.S. Customs, Arizona Department of Public Safety and local law enforcement agencies to combat drug trafficking has been excellent. Intelligence and information affecting the individual agencies is exchanged on a continuing basis and Border Patrol electronic sensor devices and night viewing equipment are loaned to any requesting agency to aid them in drug smuggling cases.

Due to a high workload, the Tucson office of the Drug Enforcement Agency is short of manpower. Upon that agency's request, the Border Patrol often assists them on arrests. The Border Patrol aircraft during their normal flights continually search for domestic cultivated marijuana fields and report any finding to the proper agency.

In the Tucson sector, as long as we can keep agents on any of the highways to check or observe traffic, we are encountering narcotics at an extraordinary rate. The problem is, due to manpower, the highways of this sector are receiving approximately one-third of the coverage necessary to control vehicular exits from the border area. In addition, we only stop and search vehicles with probable cause. The high rate of seizures we are experiencing plus intelligence that large suppliers and supplies of narcotics are staged in Sonora, Mexico for transport into the United States, indicate that an extremely high volume of illicit narcotics are flowing north through the Arizona area.

Of the total drugs encountered by the Border Patrol in the sector, 74 percent were smuggled into the United States in the vicinity of Nogales, AZ, and were seized near Nogales or Tucson. This is due to the fact that manpower at both Nogales and Tucson Border Patrol stations allows for a more constant around-the clock traffic check and linewatch operation. Therefore, the statistics cannot be considered an accurate guage of narcotic smuggling activity in our area of responsibility.

During fiscal year 1987, marijuana was encountered in 301 seizures for an average of 203.5 pound per seizure. Cocaine at 45 seizures averaged 32.9 pounds per seizure. However, this figure is misleading. Three seizures totaled 1,279.5 pounds.

Our information indicates that most marijuana loads seized originated in Sonora, Mexico, and there appear to be at least two growing seasons. Prior to this year, the period June through September had very few seizures. However, now seizures are reduced but not to the same extreme.

Following are the statistics on prohibited drugs intercepted by the Tucson Border Patrol sector for fiscal year 1984 through August 13, 1987. The low, of course, was in 1984 when we had 77 seizures which totalled 6,447.57 pounds of marijuana and two seizures of cocaine at .57 ounces.

The high, of course, is fiscal year 1987: marijuana, 301 seizures, 61,224.01 pounds; opium, one seizure, 4.50 pounds; pills, 5 seizures for 8.029 units; cocaine, 45 seizures for 1,481.60 pounds; heroin, four seizures for 1.22 pounds; LSD, one seizure for 4.0 units; mushrooms, 2.04 ounces; cash, 18 seizures, $519.324.88; 207 vehicles, 192 cars and pickups, 15 tractor-trailers, motorcycles, and motor homes; 104 weapons; and real property seizures at three at $255,000.

U.S. citizens arrested were 154; immigrants arrested were 57; nonimmigrants, 36; and illegal aliens, 200.

Thank you.

Senator DECONCINI. Mr. Wacker, thank you very much. I do have some questions but we will go on to the U.S. Customs people who are here, Thomas McDermott, special agent in charge for Arizona, and Jerry Young, chief of Customs Air Branch in Tucson. If you gentleman would please present your summaries.

STATEMENT OF THOMAS McDERMOTT, SPECIAL AGENT IN CHARGE, U.S. CUSTOMS, ARIZONA DISTRICT, ACCOMPANIED BY JERRY YOUNG, CHIEF OF CUSTOMS, AIR BRANCH, TUCSON, AZ

Mr. MCDERMOTT. I'm honored to be here to give testimony before this caucus which has had such a positive effect on narcotics enforcement, the Customs mission and overall law enforcement. I am equally honored to be a part of the law enforcement community in Arizona along with some of the witnesses in the earlier panel and in this panel.

I would like to begin my remarks by discussion the war on drugs, how it impacts Arizona from my area of responsibility. Although marijuana has maintained somewhat a consistent level over the past 3 years, Arizona has become what I consider to be the cocaine capital of the West. This is dramatically depicted during the past 9 months.

I have two charts up here which show the 1985, 1986, and 1987 marijuana seizures and that's 1987, January 30, 1987. I also have the cocaine chart which is 1985–1986 to June 30, 1987. The point I would like to make on the cocaine chart, if you took the month of December off of 1986, you would be reducing 1986 by 2,000 pounds. So you would be adding that 2,000 pounds to the 1987, which I think is a dramatic increase looking at the past 3 years which I have targeted. And frankly, that outstrips all the seizures in the state of Arizona in the area of cocaine. If you took all the cocaine that was seized in the past, we have passed that.

Another thing we see in Arizona is we have seen drug-related execution-style homicides, which many are being investigated by

Sheriff Dupnik. We have also seen drug proceeds coming through the State. One example is Sheriff Phipps' deputies working with Border Patrol to seize some $800,000 in currency in a smuggling compartment which had been previously used to smuggle the contraband in the country and was being used to move the currency across the state and into Mexico.

Why Arizona? One theory is the pressure that has been placed on south Florida since 1982. Arizona is a major distribution route to large metropolitan areas so it's being used as a highway to bring the drugs through. Arizona has smuggling routes which have been established for hundreds of years, land smuggling routes. The Arizona-Sonora border is almost a continuous smuggling corridor. And with that, I have another chart I would like to just give a quick run down of.

Mr. YOUNG. What we are dealing with is the smuggling routes airwise coming from Mexico. This is going to be a very quick briefing of a formal presentation given earlier.

Why Arizona? Why the Southwest border? To begin with, we have an overview of the opium growing areas in Mexico, the marijuana cultivation areas, the known and recorded landing strips in and around Mexico, the Mexican smuggling routes into the Southwestern United States and across the Mexican border. These are some of the storage areas of marijuana, cocaine and opiates. And then finally, arrest and seizure locations along the southwest border in northern Mexico.

Mr. MCDERMOTT. In addition to the continuing smuggling corridor, smugglers had the ability to secure their caches of narcotics in Mexico. From this safe haven, which in many cases are within 200 feet from the border, they can observe law enforcement activities and wait for a strategic time to bring in the loads across the border, monitoring the mules or the recruited individuals who smuggle it to determine what action to take. The risk in this situation, their risk is only losing the narcotics itself.

What is Customs doing to respond to this threat? Customs' position is that no single agency can solve the drug problem. It must be a coordinated effort, particularly in the border communities. I have participated in the establishment of several of the Border Alliance groups. The Border Alliance groups established cover the four border counties in Arizona: Yuma, Pima, Santa Cruz, and Cochise Counties. They are a coordinated effort with all the various law enforcement agencies who are represented here today. The group has the ability to funnel narcotics-related intelligence, pool resources, utilize various agencies, equipment, and draw from the expertise of the various disciplines of the various groups.

Another area that we have recently become involved in is an agreement with the Drug Enforcement Administration and its title 21 cross-designation. And it's through some hard work on the part of Terry Burke and myself we were able to put together an operation where Customs agents can be cross-designated and go beyond the border context. There is a tremendous benefit to this and we feel we will be adding somewhere in the area of 40 agents to the narcotic investigative force in Arizona by having our agents cross-designated.

At the ports of entry, we have established another program which we have called the Controlled Delivery Program, which in many situations we can either have the mule or the individual smuggling the narcotics either cooperate or we can either get him with his unwilling cooperation and follow it to the ultimate destination. Our goal in doing that is to give us keys, investigate keys to stash houses in Tucson and other major cities which are flooded with stash houses or secure houses inside of the border.

Another program that we are getting involved in which goes hand in hand with a controlled delivery program is a zero tolerance program. And basically a zero tolerance program is that anybody smuggling drugs into Arizona will be prosecuted. Now, what this will do is this gives us a hammer on the low-level narcotics smuggler and mule to participate. If he feels the risk is merely getting caught and not prosecuted, he is not willing to cooperate.

There was a recent article in a Tucson newspaper where a Federal court judge declared mules as victims. And this in itself adds to the problem. I think that the mules are as integral to smuggling as the cultivators, the distributors and the financiers. And we need to be able to take these individuals to the next step higher, work them and prosecute them. We need to send a message out in Arizona.

I have worked with U.S. Attorney Steven MacNamee on a program we hope to have in operation soon. It will start off with posters such as those on the board which are very simple. They say that all persons smuggling or possessing drugs will be prosecuted, period. And we hope to have that problem underway soon.

Several other things that we are doing I will briefly mention. We have a speaker's bureau. We have Customs agents and officers traveling around the country speaking to civil groups attempting to get the public awareness and notifying us on our 800 number which is 800–BE ALERT, a toll-free number where we can consolidate information and respond to air targets and other people crossing the border.

We also have an aggressive air investigative smuggling group which is now a joint effort. It's a joint effort with DEA, Arizona DPS, and Customs agents who are co-located with the air assets in Tucson and in Phoenix. And we feel that that's going to be a great advantage to having these three disciplines coordinate. One of the programs I'm most proud of is a program that has to do with assets sharing. In asset sharing, our position is that we will turn over assets to State and locals any time that there is a situation that State and locals are participating.

What we have implemented here in Arizona because of the good Arizona forfeiture laws is a program called discontinuation of forfeiture. And in those circumstances where we participate with a State or local agency, when the asset is seized, we will then turn it over to the agency on the spot for them to start their forfeiture proceedings. This may speed up the process with the Arizona law rather than the Federal law. It gets the county attorneys plugged into getting these assets quicker for the agencies that are going to be the ultimate recipient. I think we need to go a little further with asset sharing, which we are doing here with some of our financial investigations here in the State, and start targetting some

of the money and start funneling some of this money back to the sheriffs and chiefs of police to enhance their budget so we can have the smugglers actually help to finance the war on drugs. Thank you.

Senator DECONCINI. Mr. McDermott, thank you.

Mr. Young, do you have any statement?

Mr. YOUNG. No. Mr. McDermott is making the formal presentation.

[Prepared statement follows:]

Senate International Narcotics Control Caucus

Testimony of

Thomas A. McDermott

Special Agent in Charge, U.S. Customs

Arizona District

Phoenix, Arizona August 18,1987

Good morning Mr. Chairman and members of the International Narcotics Control Caucus.

I am honored to have this opportunity to address this caucus which has had such a positive impact on narcotics enforcement, the Customs mission and overall law enforcement, throughout the Southwest. I am equally honored to be a part of the law enforcement community in Arizona and am proud of the relationships I enjoy with the Sheriffs, the Chiefs of Police and Federal and State agency heads in Arizona.

I would like to begin my opening remarks concerning the war on drugs and the impact which it has had on Arizona as seen from my level of responsibility. Although marijuana smuggling has maintained a fairly consistent level over the past three years, I believe Arizona has become the cocaine smuggling capitol of the west. This has been dramatically depicted during the past nine months with the seizure by local, state and federal agencies of more than 5,000 pounds of cocaine. Frankly, gentlemen the

seizures over the last nine months far out strip the total of cocaine seized in the history of the state. We have also seen drug related execution style homicides in Arizona, several of which are being investigated by Sheriff Dupniks office in Pima County, and we have seen the proceeds of drug sales moving through the state and across international borders. Just recently Sheriff John Phipps deputies in Yuma County seized over $800,000. while working with Border Patrol on an interior check point.

Why Arizona? The pressure being placed on South Florida since 1982, has caused several major organizations to shift operations to Arizona. Arizona is a major distribution route to the major market areas in the larger metropolitan cities. The smugglers have the ability to use land smuggling routes established for hundreds of years. The Arizona/Sonora border is almost a continuous air smuggling corridor. Smugglers have the ability to safely stage and secure their loads in Mexico. From this safe haven, some of which are less than 200 feet from the border, they can observe law enforcement activity and move their contraband at only the most opportune times. The smugglers have the ability to recruit "mules" who are viewed as low level individuals to smuggle their goods into the United States. The smugglers have the ability to recruit these mules and monitor their activities as they cross the border, thus risking only the seizure of the load itself. These "mules" were not being prosecuted

and or utilized in the furtherance of conspiracy investigations.

Responding to the Threat and the Need for Improvement.

The Customs Service has taken the position that no single agency can solve the drug problem alone, that it must be a coordinated effort at all levels of law enforcement, particularly in Border communities. We have participated in the establishment of Border Alliance Groups (BAG) in all counties in Arizona, which border Mexico. These groups established in Yuma, Pima, Santa Cruz and Cochise County are a coordinated effort between Customs, Border Patrol, DEA, Arizona Department of Public Safety, Sheriff's Department, Police Departments and County Attorney's. The groups have the ability to funnel narcotic related intelligence through all of the participating agencies, pool resources as well as draw from the expertise of all the disciplines within the groups.

Title 21 Cross-Designation

As a result of the establishment of a tremendous working relationship between Customs and DEA in Arizona, the Customs Agents have been cross designated with Title 21 authority to conduct narcotics investigations beyond the border contexts. This not only adds to the resources in the narcotics investigative effort, but also eliminates any break in the interdiction and investigative phase of narcotic smuggling cases. This will add some 40 Special Agents to the narcotic investigative forces in Arizona.

Controlled Delivery Program

With Customs Agents cross designated we have devised an internal program which will allow the investigative exploitation of "Mules" or low level drug traffickers and move the investigation along to its next higher level or to stash houses or staging areas removed from the border. We feel that by working together with the state and local agencies we can use "mules" as investigative keys to stash houses in Tucson and other cities as well as put together conspiracy investigations.

Zero Tolerance

We need, however, the support of the U.S. Attorney and the Courts. By this I mean the investigator must have a "Hammer" before we can work these "mules" to a higher level or into a major conspiracy. Attitudes like Judge Marques declaring that "mules" are victims does not help. "Mules" are as intrical to narcotic smuggling as cultivators, distributers or financiers. If the risk for being apprehended is a jail sentence then "mules" become more difficult to recruit. I have worked with Steve MacNamee, the United States Attorney in Arizona, and we have devised a program aimed as prosecuting all levels of narcotic smugglers. This campaign, scheduled to begin September 1st, will start off with the posting of signs at the various Ports of Entry throughout the State, which state, If you smuggle drugs in Arizona you will be prosecuted.

Speakers Bureau

We have established speakers bureaus in Arizona where Special Agents and Customs Officers speak before various civic groups soliciting their support and assistance in the war on drugs. The speech includes certain elements which may be considered to be suspicious activity and 800-BE ALERT a toll free number for them to report the suspicious activity .

Air Investigative Units

Co-located with Air Support Branches in Phoenix and Tucson we have established joint investigative units to handle air smuggling investigations. These units consist of Customs, DEA, Arizona DPS and are co-located in the same facility as the air assets, the pilots and air interdiction officers in Arizona. We feel that this has greatly improved Customs ability to investigate air interdiction cases as well as collect and consolidate much needed intelligence relative to air smuggling in Arizona.

Asset Sharing Program

It is a policy of the Customs Service, that when working joint investigations, which result in asset forfeiture, that we turn these assets over to state and local agencies who participated in

the investigation. Most recently, we have established a program called discontinuation of forfeiture. This program allows Customs to seize an asset or conveyance and turn it over to a County Sheriff, Chief of Police or DPS for forfeiture under state forfeiture provisions. With Arizona asset forfeiture law, the county racketeering funds and the new drug bill allowing the funds to go to Sheriffs and Chiefs to enhance their budget, will help to finance this "War on Drugs".

Senator DECONCINI. We will now go to Richard Lind and Herbert Hawkins of the Federal Bureau of Investigation in Washington, DC.

Mr. Lind, thank you for joining us here today and Mr. Hawkins, special agent in charge of Arizona.

STATEMENT OF HERBERT H. HAWKINS, JR., SPECIAL AGENT IN CHARGE, PHOENIX DIVISION, FEDERAL BUREAU OF INVESTIGATION

Mr. HAWKINS. Thank you, Senator, for allowing us to attend the hearings this morning. On behalf of the FBI, I would like to take this opportunity to thank all the other members of the caucus for having us down here and the opportunity to appear before you.

I have a very brief statement. However, we will submit for the record a more detailed statement which is quite lengthy.

In the Phoenix division, the drug program is our number one investigative priority and we are guided in our efforts by the mission and objectives set forth in the FBI's national drug strategy. Our investigative efforts are directed toward Mexican drug trafficking groups that are responsible for the importation and distribution of large quantities of cocaine and heroin. It is our objective to develop, in close coordination with the U.S. attorney's office, strong, prosecutable cases against these elements which will not only lead to their conviction, but also to the seizure and forefeiture by the Federal Government of their illegally obtained assets.

The FBI's drug investigative resources in the Phoenix division have been doubled since October 1985, thereby enabling our office to more effectively address drug cases which are extremely manpower intensive. Currently in the 76 divisions, there are 22 general agents dedicated to investigate drug violations. In addition, we have assigned agents to work exclusively on narcotics investigations in the Yuma, Tucson, and Sierra Vista resident agencies. In an effort to mobilize the maximum effort against these drug traffickers, the FBI has become a drug advocate and participant in the task force approach. The Phoenix division is currently working 27 task force-type cases with other State and local agencies. We feel there is no substitute for, or better approach to, combating these large organizations than through joint investigations. We will continue to combine our resources and cooperate with other law enforcement departments and agencies to accomplish our goals to further reducing the incidents of illegal drug trafficking and other criminal activities which drug trafficking generates in American society.

During fiscal year 1986, the Phoenix division indicted and/or convicted 145 drug traffickers who were fined a total of $442,379. Additionally, $6,052,967 in property and over $3 million in trafficker assets were seized.

In closing, I would like to point out that while intensified law enforcement efforts can have a very positive effect on drug trafficking activity, the long-term solution is in demand reduction. Profits are too attractive and supersede the dangers and consequences of ever being caught. Furthermore, as one organization is dismantled, another stands ready to fill the void. It is therefore imperative that

we continue to develop aggressive demand reduction programs which educate the youth of America and other Americans on the danger of drug use and abuse. Sir, this competes my statement. I will be happy to answer any questions and will divide my time with Rick Lind.

[Prepared statement follows:]

U.S. Department of Justice

Federal Bureau of Investigation

Washington, D.C. 20535

OPENING STATEMENT

OF

HERBERT H. HAWKINS, JR.

SPECIAL AGENT IN CHARGE, PHOENIX DIVISION

FEDERAL BUREAU OF INVESTIGATION

BEFORE THE CAUCUS ON

INTERNATIONAL NARCOTICS CONTROL

AUGUST 18, 1987

PHOENIX, ARIZONA

ON BEHALF OF THE FEDERAL BUREAU OF INVESTIGATION AND THE PHOENIX DIVISION OF THE FBI, I WOULD LIKE TO TAKE THIS OPPORTUNITY TO THANK SENATOR DE CONCINI AND MEMBERS OF THE CAUCUS ON INTERNATIONAL NARCOTICS CONTROL FOR THE OPPORTUNITY TO APPEAR BEFORE YOU TO DISCUSS THE FBI's ROLE IN DRUG ENFORCEMENT EFFORTS IN THE STATE OF ARIZONA.

SINCE JANUARY 28, 1982, WHEN ATTORNEY GENERAL WILLIAM FRENCH SMITH DELEGATED TO THE FBI CONCURRENT JURISDICTION WITH THE DRUG ENFORCEMENT ADMINISTRATION FOR INVESTIGATIONS OF VIOLATIONS OF THE COMPREHENSIVE DRUG ABUSE PREVENTION AND CONTROL ACT OF 1970, THE FBI HAS HAD A SIGNIFICANT ROLE IN ADDRESSING THE PROBLEM OF DRUG TRAFFICKING IN THE UNITED STATES. SINCE THEN WE HAVE CONSTANTLY STRIVEN TO ENHANCE OUR INVESTIGATIVE EFFORTS DIRECTED AGAINST THIS PROBLEM. AS YOU MAY KNOW, ON MAY 7, 1986, THE DIRECTOR APPROVED THE FBI's NATIONAL DRUG STRATEGY WHICH FURTHER COMMITS THE BUREAU TO VIGOROUS EFFORTS DESIGNED TO REDUCE THE INCIDENCE OF ILLEGAL DRUG TRAFFICKING AND RELATED CRIMINAL ACTIVITY IN AMERICAN SOCIETY.

SPECIFICALLY, THE FBI's NATIONAL DRUG STRATEGY SEEKS TO ADDRESS MAJOR DRUG TRAFFIC IN ORGANIZATIONS SUCH AS THE LCN/SICILION MAFIA AND COLOMBIAN/SOUTH AMERICAN AND MEXICAN NETWORKS WHICH ARE LARGELY RESPONSIBLE FOR COCAINE AND HEROIN DISTRIBUTION IN THE UNITED STATES.

IN THE PHOENIX DIVISION THE DRUG PROGRAM IS OUR NUMBER ONE INVESTIGATIVE PRIORITY AND WE ARE GUIDED IN OUR EFFORTS BY THE MISSION AND OBJECTIVES SET FORTH IN THE FBI's NATIONAL DRUG STRATEGY. OUR INVESTIGATIVE EFFORTS ARE DIRECTED AGAINST MEXICAN

DRUG TRAFFICKING GROUPS THAT ARE RESPONSIBLE FOR THE IMPORTATION AND DISTRIBUTION OF LARGE QUANTITIES OF COCAINE AND HEROIN. IT IS OUR OBJECTIVE TO DEVELOP, IN CLOSE COORDINATION WITH THE UNITED STATES ATTORNEY'S OFFICE, STRONG, PROSECUTABLE CASES AGAINST THESE ELEMENTS WHICH WILL NOT ONLY LEAD TO THEIR CONVICTION, BUT ALSO TO THE SEIZURE AND FORFEITURE BY THE FEDERAL GOVERNMENT OF THEIR ILLEGALLY OBTAINED ASSETS.

THE FBI's DRUG INVESTIGATIVE RESOURCES IN THE PHOENIX DIVISION HAVE BEEN DOUBLED SINCE OCTOBER 1985, THEREBY ENABLING OUR OFFICE TO MORE EFFECTIVELY ADDRESS DRUG CASES WHICH ARE EXTREMELY MANPOWER INTENSIVE. IN ADDITION, WE HAVE ASSIGNED AGENTS TO WORK EXCLUSIVELY ON DRUG INVESTIGATIONS IN THE YUMA, TUCSON AND CIERRA VISTA RESIDENT AGENCIES. IT WILL BE THE RESPONSIBILITY OF THESE AGENTS TO WORK HAND IN HAND WITH FEDERAL STATE AND LOCAL AUTHORITIES TO DEVELOP DRUG INTELLIGENCE AND THEREAFTER INITIATE MULTI-JURISDICTIONAL INVESTIGATIONS WHICH WILL HOPEFULLY REACH THE HIGHEST LEVELS OF MEXICAN DRUG TRAFFICKING.

THE PHOENIX DIVISION OF THE FBI CURRENTLY HAS TWENTY-TWO SPECIAL AGENTS DEDICATED TO INVESTIGATE DRUG VIOLATIONS. OF THIS TOTAL SEVEN ARE ASSIGNED TO WORK ORGANIZED CRIME DRUG ENFORCEMENT TASK FORCE CASES. AS NOTED EARLIER, THE PHOENIX DIVISION HAS HAD A ONE HUNDRED PERCENT INCREASE IN MANPOWER SINCE OCTOBER OF 1985. THIS ENHANCEMENT OF INVESTIGATIVE RESOURCES IS A RESULT OF SEVERAL FACTORS:

1. AN INCREASED AMOUNT OF DRUGS BEING SMUGGLED INTO THE UNITED STATES THROUGH MEXICO;

2. COLOMBIAN DRUG TRAFFICKERS HAVE BEEN FORCED TO FIND NEW SMUGGLING ROUTES INTO THE UNITED STATES AS A RESULT OF THE OUTSTANDING INVESTIGATIVE EFFORTS OF FEDERAL, STATE AND LOCAL LAW ENFORCEMENT IN SOUTH FLORIDA; AND

3. COLOMBIAN DRUG CARTELS DEVELOPING NEW ROUTES THROUGH MEXICO.

AS A RESULT OF THIS INCREASE IN DRUG ACTIVITY FLOWING FROM MEXICO INTO THE UNITED STATES THE PHOENIX DIVISION OF THE FBI HAS COMMITTED THE VAST MAJORITY OF ITS RESOURCES AND MANPOWER TO INVESTIGATIONS WHICH ADDRESS MAJOR MEXICAN AND COLOMBIAN ORGANIZATIONS.

IN AN EFFORT TO MOBILIZE THE MAXIMUM EFFORT AGAINST THESE DRUG TRAFFICKERS, THE FBI HAS BECOME A STRONG ADVOCATE AND PARTICIPANT IN THE TASK FORCE APPROACH. THE PHOENIX DIVISION CURRENTLY IS WORKING TWENTY-SEVEN JOINT TASK FORCE TYPE CASES WITH THE DRUG ENFORCEMENT ADMINISTRATION, UNITED STATES CUSTOMS SERVICE, INTERNAL REVENUE SERVICE, IMMIGRATION AND NATURALIZATION SERVICE, DEPARTMENT OF PUBLIC SAFETY, PHOENIX POLICE DEPARTMENT, TUCSON AND SOUTH TUCSON POLICE DEPARTMENTS, NUMEROUS SHERIFF DEPARTMENTS THROUGHOUT THE STATE AND THE MEXICAN FEDERAL AND SONORAN STATE JUDICIAL POLICE. WE FEEL THERE IS NO SUBSTITUTE FOR, OR BETTER APPROACH TO, COMBATTING THESE LARGE ORGANIZATIONS THEN THROUGH JOINT INVESTIGATIONS. WE WILL CONTINUE TO COMBINE OUR RESOURCES AND COOPERATE WITH OTHER LAW ENFORCEMENT DEPARTMENTS AND AGENCIES TO ACCOMPLISH OUR GOALS TO FURTHER REDUCE THE INCIDENTS OF ILLEGAL DRUG TRAFFICKING AND OTHER

CRIMINAL ACTIVITY WHICH DRUG TRAFFICKING GENERATE IN AMERICAN SOCIETY.

OF PARTICULAR SIGNIFICANCE IS AN INVESTIGATION BY THE PHOENIX DIVISION WHICH ADDRESSES A GROUP OF DRUG TRAFFICKERS WHO IDENTIFIED THEMSELVES AS THE "MEXICAN MAFIOSA." THIS GROUP OF DRUG TRAFFICKERS WAS RESPONSIBLE FOR THE IMPORTATION OF LARGE QUANTITIES OF COCAINE AND HEROIN INTO THE STATE OF ARIZONA. OF THE THIRTY SUBJECTS INVOLVED, SEVEN ARE FEDERAL FUGITIVES, TEN HAVE BEEN CONVICTED IN STATE COURT WITH THREE DEFENDANTS REMAINING TO BE TRIED.

DURING FISCAL YEAR 1986, THE PHOENIX DIVISION INDICTED AND/OR CONVICTED 145 DRUG TRAFFICKERS, WHO WERE FINED A TOTAL OF $442,379. ADDITIONALLY, $6,052,967 IN PROPERTY WAS RECOVERED AND OVER $3 MILLION DOLLARS OF TRAFFICKER ASSETS WERE SEIZED.

IN CLOSING I WOULD LIKE TO POINT OUT THAT WHILE INTENSIFIED LAW ENFORCEMENTS EFFORTS CAN HAVE A VERY POSITIVE EFFECT OF DRUG TRAFFICKING ACTIVITY, THE LONG TERM SOLUTION IS IN DEMAND REDUCTION. THE ILLICIT PROFITS ASSOCIATED WITH DRUG TRAFFICKING ARE TOO ATTRACTIVE AND SUPERSEDE THE DANGERS AND CONSEQUENCES ASSOCIATED WITH BEING CAUGHT. FURTHERMORE, AS ONE ORGANIZATION IS DISMANTLED ANOTHER STANDS READY TO FILL THE VOID. IT IS THEREFORE IMPERATIVE THAT WE CONTINUE TO DEVELOP AGGRESSIVE DEMAND REDUCTION PROGRAMS WHICH EDUCATE THE YOUTH OF AMERICA TO THE DANGERS OF DRUG USE AND ABUSE.

GENTLEMEN THIS COMPLETES MY STATEMENT AND I WILL BE HAPPY TO ANSWER ANY QUESTIONS THAT YOU MAY HAVE.

Senator DECONCINI. Thank you, Mr. Hawkins.
Mr. Lind.

STATEMENT OF RICHARD LIND, AGENT, FEDERAL BUREAU OF INVESTIGATION

Mr. LIND. Thank you, Senator. As you know, the FBI is a multi-mission agency. In January 1982, we received the current jurisdiction with the Drug Enforcement Administration to investigate violation of drug laws. In the fall of 1985, we did a survey of all our bureau offices in an effort to determine what the problems were in each one of our field divisions. That led to the implementation of the FBI's national drug strategy that Judge Webster signed off on in May of 1986.

Within the NDS, we identified three major trafficking organizations that we felt were responsible for most of the drug importation and distribution into the United States. Those three groups include the LCN Mafia, Colombia Drug Trafficking Organization, and Mexican Drug Trafficking Organization. It was our intention, with the implementation of one of the first tasks that we sent out to the field, to expand and enhance our intelligence base with regard to Mexican drug trafficking organizations.

[Charts follow:]

MEXICAN DRUG TRAFFICKING ROUTES AND DRUG PRODUCING AREAS

Cocaine/Heroin

Culiacan, Sinaloa, Mexico to
Nogales, Sonora, Mexico to
Phoenix, Arizona, USA

Ojinaga, Chihuahua, Mexico to
Portales, New Mexico, USA

MEXICAN DRUG TRAFFICKING ROUTES AND DRUG PRODUCING AREAS

Cocaine

Colombia

to

Jalisco and Sinaloa, Mexico
(by boat)

to

Ojinaga,
Chihuahua, Mexico

to

El Paso, Texas and
Alamogordo, New Mexico, USA

to

Los Angeles, Calif., USA

MEXICAN DRUG TRAFFICKING ROUTES AND DRUG PRODUCING AREAS

Cocaine

Colombia

to

Hermosillo, Sonora, Mexico

to

Los Angeles, Calif., USA

MEXICAN DRUG TRAFFICKING ROUTES AND DRUG PRODUCING AREAS

Marijuana

Nayarit (State) and **Oaxaca** (State) to
Tijuana, Baja Calif. Norte, Mexico to
San Diego, Calif., USA

Nayarit (State) to
Nogales, Sonora, Mexico to
Tucson, Arizona, USA

Caborca, Sonora, Mexico to
Papago Indian Reservation,
Tucson Arizona, USA

Ojinaga, Chihuahua, Mexico to
Odessa, Texas, USA

Ojinaga, Chihuahua, Mexico to
Sanderson, Texas, USA to
San Diego, Calif., USA

Guadalajara, Jalisco, Mexico to
McAllen, Texas, USA to
Houston, Texas, USA to
Mobile, Alabama, USA

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MEXICAN DRUG TRAFFICKING ROUTES AND DRUG PRODUCING AREAS

Cocaine

Colombia

to

Puerto Vallarta, Jalisco and
Mazatlan, Sinaloa, Mexico

to

La Paz, Baja Calif. Sur, Mexico

to

Ensenada and Tijuana
Baja Calif. Norte, Mexico

to

Los Angeles, Calif., USA

MEXICAN DRUG TRAFFICKING ROUTES AND DRUG PRODUCING AREAS

Cocaine

Colombia

to

Guadalajara, Jalisco, Mexico

to

Ensenada and Tijuana,
Baja Calif. Norte, Mexico

to

San Diego, Calif., USA

MEXICAN DRUG TRAFFICKING ROUTES AND DRUG PRODUCING AREAS

Cocaine

Colombia

to

Guadalajara, Jalisco, Mexico

to

Los Angeles, Calif., USA

MEXICAN DRUG TRAFFICKING ROUTES AND DRUG PRODUCING AREAS

Cocaine

Colombia

to

Cancun, Mexico

to

Piedras Negras, Coahuila, Mexico

to

San Antonio, Texas, USA

MEXICAN DRUG TRAFFICKING ROUTES AND DRUG PRODUCING AREAS

Cocaine/Marijuana

Guadalajara, Jalisco, Mexico to
McAllen, Texas, USA to
Houston, Texas, USA

Ojinaga, Chihuahua, Mexico to
Dumas, Texas, USA

Ojinaga, Chihuahua, Mexico to
Odessa, Texas, USA to
Ojinaga, Chihuahua, Mexico to
Liberal, Kansas, USA

Ojinaga, Chihuahua, Mexico to
Alamogordo, New Mexico, USA to
Albuquerque, New Mexico, USA

McAllen, Texas, USA to
Lyons, Georgia, USA

MEXICAN DRUG TRAFFICKING ROUTES AND DRUG PRODUCING AREAS

Cocaine

Colombia

to

Eastern Mexico

to

Yuma Indian Reservation,
Arizona, USA

MEXICAN DRUG TRAFFICKING ROUTES AND DRUG PRODUCING AREAS

Cocaine

Colombia

to

Nicaragua

to

Jalisco, Mexico

to

Baja Calif. Norte, Mexico

to

Los Angeles, Calif., USA

MEXICAN DRUG TRAFFICKING ROUTES AND DRUG PRODUCING AREAS

Cocaine/ Marijuana/Heroin

Guadalajara, Jalisco, Mexico to
Reynosa, Tamaulipas, Mexico to
Laredo, Texas, USA to
Rockford, Illinois, USA to
Beloit, Wisconsin, USA to
Milwaukee, Wisconsin, USA

Matamoros, Tamaulipas, Mexico to
Brownsville, Texas, USA

MEXICAN DRUG TRAFFICKING ROUTES AND DRUG PRODUCING AREAS

Heroin

Durango, Durango, Mexico to
El Paso, Texas, USA to
Chicago, Illinois, USA to
Toledo, Ohio, USA

Durango, Durango, Mexico to
Tijuana, Baja Calif. Norte, Mexico to
San Diego, Calif., USA to
Los Angeles, Calif., USA

Ciudad Obregon, Sonora, Mexico to
Tucson, Arizona, USA to
Los Angeles, Calif., USA

Ojinaga, Chihuahua, Mexico to
Odessa, Texas, USA

Los Angeles, Calif., USA to
Salem, Oregon, USA to
Portland, Oregon, USA to
Seattle, Wash., USA

MEXICAN DRUG TRAFFICKING ROUTES AND DRUG PRODUCING AREAS

Cocaine

Colombia

to

Matamoros, Tamaulipas, Mexico

to

Brownsville, Texas, USA

to

San Antonio, Texas, USA

MEXICAN DRUG TRAFFICKING ROUTES AND DRUG PRODUCING AREAS

Cocaine

Ojinaga, Chihuahua, Mexico to
Juarez, Chihuahua, Mexico to
Deming, New Mexico, USA to
Los Angeles, Calif., USA

Ojinaga, Chihuahua, Mexico to
Van Horn, Texas, USA to
Hobbs, New Mexico, USA

Ojinaga, Chihuahua, Mexico to
Las Palomas, Chihuahua, Mexico to
Deming, New Mexico, USA

Los Angeles, Calif., USA to
Phoenix, Arizona, USA

Los Angeles, Calif., USA to
Kingman, Arizona, USA to
Flagstaff, Arizona, USA

Agua Prieta, Sonora, Mexico to
Douglas, Arizona, USA

Phoenix, Arizona, USA
Los Angeles, Calif., USA
Chicago, Illinois, USA

MEXICAN DRUG TRAFFICKING ROUTES AND DRUG PRODUCING AREAS

Marijuana/Heroin

El Paso, Texas, USA to
Denver, Colorado, USA

El Paso, Texas, USA to
Chicago, Illinois, USA

MEXICAN DRUG TRAFFICKING ROUTES AND DRUG PRODUCING AREAS

Cocaine

Colombia

to

Matamoros, Tamaulipas, Mexico

to

McAllen, Texas, USA

to

Houston, Texas, USA

to

Rockford, Illinois, USA

Mr. LIND. The lines that you see on this chart depict major cocaine trafficking routes that we have identified. The information that you see on this chart is what I would call real-time information or information which has been obtained from ongoing investigations. You can see that the major source in this country is Columbia and routes travel through Mexico on up into the United States. We have identified some very significant trafficking organizations that go on up into Illinois and Wisconsin. These depict heroin trafficking routes that we have identified based on our current investigations. The last chart depicts marijuana trafficking routes that we have identified.

Senator DECONCINI. Does that mean those are ongoing investigations or just what you have learned over a long period of time and completed investigations or what?

Mr. LIND. These are trafficking routes that we have identified and we have ongoing investigations.

Senator DECONCINI. Current traffic?

Mr. LIND. Yes, sir. And for the region of Texas, Arizona, and New Mexico, again, we have the same format. These are pending investigations, ongoing investigations and trafficking routes that we have identified.

Senator DECONCINI. This only started as of the date of the order of Judge Webster? Before that you were not involved in it?

Mr. LIND. We had ongoing investigations relative to Mexican drug trafficking organizations but they were fragmented. And with the implementation of the NDS, we made a commitment to address Mexican drug trafficking organizations as a very high priority within the FBI's overall drug program. In fact, the drug program now is one of five major priority programs that the FBI addresses.

Senator DECONCINI. Do you have anything further?

Mr. LIND. No, sir.

Senator DECONCINI. Thank you very much. Mr. Burke, we will have your testimony and then ask you to introduce our anonymous witness here and you can help me proceed to go through what testimony he can give us today.

STATEMENT OF TERRENCE M. BURKE, SPECIAL AGENT IN CHARGE, PHOENIX FIELD DIVISION, DRUG ENFORCEMENT ADMINISTRATION

Mr. BURKE. Thank you, Senator. Thank you for the invitation to join you this morning and be able to testify before you and to join both the state and local colleagues and the federal colleagues here at this table. Also thank you very much for your support in sponsoring bill 1361, the Chemical Precursor Act.

I would like to say that upon arriving here a little over a year ago, I was struck very early on by the very high level of professionalism among the State officers represented by the DPS, by the sheriffs throughout the State and their deputies, and from the police chiefs and their officers in different cities and towns that comprise the State. It became very apparent also that, as you have heard this morning from the testimony, there has been a tremendous problem and tremendous surge of drugs coming into this

State. This is also very apparent that while we have all this resource available to us, we need more cohesiveness in our efforts.

I think that the example was set by U.S. Attorney Steve MacNamee through the very active LECC. The activity and the participation of all the people I mentioned this morning in trying to bring this into focus was a great help. It was his intention that the cooperation we would have on all levels here would be the model, not the exception but the example. We would stand as a model for the rest of the country.

In trying to prolong and support this idea, there are a number of initiative which we did take that I think got us on the right track. We developed a joint intelligence unit within our office here in Phoenix. We invited any State and local and Federal agency that was available to provide us the manpower to join us. We have been joined by DEA and by the U.S. Customs Service, Phoenix Police Department and Border Patrol. Each of these agencies has contributed an analyst or agent full access to all DEA intelligence and access to ready information. They also contributed their own information to this. We try to make this information available to other units throughout the state as quickly as possible.

As you know we have the State and local task force ongoing in both Phoenix and Tucson. Under our sponsorship, we have increased the number of agencies here. We have the Glendale Police Department, Scottsdale Police Department. In addition, the Tucson task force is represented by all the State and local agencies in that area of the State. We now have joint units. As has been stated this morning with U.S. Customs, both the air wing units and having Customs agents assigned to our office in Nogales and our agents assigned here and in Flagstaff and so forth.

I also would like to put in a good plug at this point if you don't mind for the Customs air wing. During the past year here, DEA air wing forces were severely strained, providing aircraft pilots and whatever help we needed in our surveillance operations and our investigations in the State and has been very much appreciated. As you heard, the Border Patrol has been able to give them one day training with the help of the U.S. attorney's office. This training has to continue and expand over the next few months and we intend to do that.

The Border Patrol has brought years and years of expertise on the border and made it available to us and the other agencies. They have also assigned a unit to our Tucson office that is already directly responsible for the apprehension of two major Mexican traffickers. We have the Joint Marijuana Eradication Campaign with the assistance of DPS and a number of county sheriffs. We expect that to be an expanded operation this year. We are pooling together a joint asset removal team here out of our Phoenix air office. Again, so far we have the Phoenix Police Department, DPS and Scottsdale are going to provide manpower to that unit and we hope to be able to expand on our assets forfeiture operations and our investigations of money and laundering operations.

As you heard, we are participating in the Alliance task forces, particularly in Yuma and Nogales. We have been able to give some help to Cochise County. None of these have been in the amount I would like to, again because of other priorities and other restric-

tions. We provided, as I mentioned, training for the U.S. Customs Services and cross-designation. Tom McDermott and I both went down. We made it clear to the DEA personnel and Customs Service that we were not going to put up with jurisdictional disputes and minor problems that often come with this type of integration. This was going to work and we were going to be responsible. We have the OCDETF with the FBI in Phoenix in particular and they have housed that for quite some time. In Tucson we have an OCDETF task force team made of IRS, INS, U.S. Customs, and many state and local agencies of that area.

The Phoenix Police Department came to us, they had an opportunity to go into the crack problem here in Phoeniz. They have the manpower, they have the undercover ability. We were able to furnish some funding for them for making buys that resulted in the indictments of over 100 people here just a couple months ago in the Phoenix area. DEA has profited from the recent bills the legislation has passed. We have had 18 additional agents in the past year assigned to the Phoenix division. That's not very much to spread out throughout the State. I would like to add also when we bring these new agents in, despite the very extensive training they received, it takes a good amount of time to make a good narcotics investigator. It takes time to take a young agent and, no matter how well trained, he initially has to go through a certain progression of experience in geting him ready. So I think we really are still probably a year or two away of seeing the real results of the additional resources that we have received.

The emphasis that we have tried to place as DEA has been on penetration of Mexican and Colombian organizations that are principal organizations responsible for smuggling here and throughout the state of Arizona. We have done this through intelligence operations. We have done it through undercover operations that have successfully identified and resulted in arrests of some major Colombian traffickers who had been regularly bringing large amounts of cocaine into the State and certainly had plans to expand on those operations.

We place a great emphasis now on the prevention program. We have merged the DEA prevention program with the U.S. attorney's office, Justice Department Prevention Program to try to make a more cohesive effort. We have a long way to go, there is no question about it. And we can sit here, and I think will hear this throughout your hearings, the potential for problems in the State I think we are only becoming aware of at this point. I think the added effort over the past year or two years has shown just what the problem is and may have existed for sometime and we may have not been fully aware of it. I think we do have a long way to go but I think we are proceding in the right direction. I feel that you have certainly heard from the sheriffs and police chiefs this morning that we certainly intend to make this as successful an effort as we can.

[Prepared statement follows:]

Statement

of

TERRENCE M. BURKE
Special Agent in Charge

Phoenix Field Division
Drug Enforcement Administration

Senator DeConcini, Members of the Senate Caucus on International Narcotics Control: I am delighted to welcome you to Arizona as you explore the current drug trafficking trends and abuse situation in this area. At the outset, I want to thank you, Senator DeConcini, for your introduction of S. 1361. This legislation would decrease the availability of chemicals to criminal organizations which use them to clandestinely produce dangerous drugs.

As the Drug Enforcement Administration's Special Agent in Charge of our Phoenix Division, I am pleased to appear before you today to discuss the drug trafficking situation in Arizona.

GEOGRAPHICAL INFLUENCES

For those members of the Caucus not from Arizona, I believe that it is important to first comment on the local geography, which strongly influences drug trafficking activity and our enforcement response. Arizona has over 370 miles of common border with Mexico, ranging from 30 miles of the Colorado River Basin in the west to rolling desert plains bisected by a range of mountains 6,000 to 8,000 feet in elevation. Generally, Arizona's terrain facilitates north/south movement and hinders east/west travel.

The limits imposed by geography are compounded by jurisdictional limits. As you know, this area has national monuments, Indian reservations, state and national parks, wildlife refuges, and U.S. military installations. Each of these

operates under different authorities, with separate enforcement entities.

The United States/Mexican border at the states of Arizona and Sonora, respectively, is a significant air smuggling corridor. Throughout the State of Arizona, there are many radar-blind spaces, sparse habitation, abandoned air strips and mining facilities, and sparsely used back-country roadways all of which facilitate clandestine operations.

Major cities in Arizona must contend with the different facets of drug trafficking activity. Overland smuggling impacts Nogales, in southern Arizona at the border. This city is at the end of the main Mexican Highway 15, which transverses the states of Nayarit, Sinaloa, and Sonora. These Mexican states are currently very active source areas.

Tucson, which is mid-way between Nogales and Phoenix, is a major staging area for narcotics trafficking to the entire United States. Also, major narcotics organizations have been investing in Tucson real estate. These are not only Mexican groups, but also Cuban and Colombian groups who are active in this city.

Seven unmanned gates along the border between the little town of Sasabe and Yuma County are key threats. Minimal Federal presence in the border area increases its vulnerability to trafficking.

In western Arizona, the areas near Yuma and the San Luis Port of Entry (POE), are intense agricultural areas, criss-crossed with irrigation canal roads and numerous agricultural air strips. However, the Colorado River bed and Colorado River boundary with the United States and Mexico are often nearly dry. Thus, drug couriers can easily walk across the river. The U.S. Border Patrol has reported that there are nightly crossings in the area east of the San Luis POE.

In short, Arizona is wide-open country with, in many areas, limited law enforcement resources. The state's geography makes it an ideal location for drug trafficking and clandestine activities.

ROLE OF THE DRUG ENFORCEMENT ADMINISTRATION

The DEA Phoenix Division covers almost 114,000 square miles. DEA has 61 special agents assigned to our offices in Phoenix, Tucson, Sierra Vista, Nogales, and Yuma. I believe that DEA has an important role in the Arizona law enforcement community, and is certainly the leader in narcotics law enforcement.

In this division, we have long recognized the absolute necessity for close cooperation with our state and local counterparts. Two formal state and local task forces are active in Arizona; one is in Phoenix and one is in Tucson.

We also maintain close working relationships with the Federal Bureau of Investigation, the U.S. Customs Service, the Internal Revenue Service, the Immigration and Naturalization Service, and other Federal, state, and local agencies.

The Phoenix Division has coordinated the cross-designation of agents under Title 21 with the U.S. Border Patrol and the U.S. Customs Service. In the past year, an additional 21 state and local officers, Customs, Border Patrol, and other Federal law enforcement agents have been working in concert with DEA agents and intelligence analysts in the Phoenix Division.

As a consequence of cooperative efforts involving Federal, state, and local law enforcement, the Phoenix Division's anti-narcotics efforts have been enhanced. The successes achieved from the formation of the Southwest Border Alliance Task force in Yuma is an excellent example of these cooperative endeavors.

Many law enforcement agencies in Western Arizona are feeling constrained because of lack of personnel and limited budgets. The establishment of a unified task force has enabled these agencies to participate in this important effort without overtaxing their limited resources. The central, coordinated work of the task force produces a very positive attitude which, in turn, facilitates outstanding narcotics investigations, as well as increased investigations at all levels.

A further, and perhaps a model example, of narcotics law enforcement cooperation by all levels of government can be seen in the Phoenix Division's Marijuana Eradication Program. The division is beginning its sixth year of participation in the DEA Domestic Marijuana Eradication Suppression Program. During calendar year 1986, Arizona eradicated 88 plots containing 21,615 cultivated plants, over 20,000 of which were sinsemilla. In this program, Arizona was ranked third in assets seized.

Goals for our 1987 marijuana eradication and suppression program include increased communication and cooperation among all agencies and, of course, increased seizures and arrests. I firmly believe that Arizona will be among the top ten states in overall results. Several Arizona county sheriffs departments and the Arizona Department of Public Safety (DPS) are committing resources and manpower to this campaign. Further, the Arizona National Guard plans to actively participate and support this year's campaign.

The excellent cooperation and communication which result from the participation of all of these agencies will not only have a great impact on the marijuana growers and traffickers, but will also further enhance professional law enforcement relationships in Arizona.

THE DRUG TRAFFICKING SITUATION IN ARIZONA

Before describing our investigative and prosecutorial

initiatives and our other activities in Arizona, I would first like to provide you with a brief summary of the general drug trafficking situation in Arizona.

Heroin

During the past several months, we have seen a significant increase in heroin seizures in Arizona, particularly along the Mexican border. The vast majority of heroin encountered in Arizona is of Mexican origin, and is most frequently found in a dark gummy form known here as "tootsie roll" or black tar heroin.

Over five kilos of heroin were seized during January-March 1987. Heroin shipments come across the western and southern border crossings from Mexico, and distribution of heroin continues to be centered in the Hispanic communities in Arizona cities.

Generally, prices for one ounce quantities of heroin in the Phoenix Division range from $4,000 to $5,000 with purities over 50 percent. Arizona is also a transshipment area for Mexican heroin destined for California and other parts of the nation.

Cocaine

Intelligence information developed from cooperating individuals and investigations continues to demonstrate that cocaine remains the drug of choice among traffickers and drug users throughout Arizona. This state is becoming increasingly popular with South American and Mexican-based traffickers as a transshipment area for the onward smuggling of cocaine. Los Angeles and other cities on the West Coast provide a vast market for cocaine and it is obvious that Arizona has become a major staging area and pipeline state for the transshipment of cocaine to California and other areas. I believe that Arizona will become increasingly involved in major international cocaine trafficking activities.

Intelligence indicates that Tucson continues to be a very important area for the trafficking of large amounts of cocaine, probably more so than metro-Phoenix. Tucson is the largest Arizona city closest to the Mexican border and is the base of operations for several organized cocaine trafficking groups and subgroups.

Cocaine is smuggled into Arizona by both land and air. Some air smuggling groups operating out of Mexico have been severely disrupted by intense investigative activities of DEA and other agencies. Smuggling by land appears to have increased during the past six months, as evidenced by four large seizures at ports of entries and two instances of cocaine found abandoned at remote border crossings.

In the Phoenix metropolitan area, Mexican traffickers control the major portion of cocaine traffic in Arizona and consistently deliver multi-kilo quantities. Interestingly, two very recent seizures in Phoenix (571 kilos and 23 kilos) were made from Colombian violators based in Miami. We have had several cases where non-Hispanic violators negotiated to deliver multi-kilo quantities of cocaine, but generally they have been unable to produce large amounts.

Cocaine prices remain stable at $1,200 to $1,600 per ounce and $24,000 to $29,000 per kilogram, with purities in the 90 percent range. There has been a 62 percent increase in cocaine removals during the first six months of 1987 as compared to the previous year. We predict that, for the foreseeable future, there will continue to be a steady increase in the volume of cocaine seizures and trafficking activity in Arizona.

Crack

This form of cocaine continues to be available in gram quantities in the black community and sells for $100 to $200 per gram. Because small quantities cost less and still provide rapid intoxication, purchases are usually made in milligrams.

During this past spring and early summer, DEA undertook a joint effort with the Phoenix Police Department against Phoenix crack dealers. As of mid-June 1987, this very effective campaign resulted in 113 indictments, 61 arrests, and caused at least a temporary disruption of the crack business in Phoenix.

Marijuana

Marijuana continues to be readily available throughout the state. The smuggling of marijuana produced in Mexico and the local cultivation of cannabis are ubiquitous problems in Arizona. Mexican marijuana is smuggled into Arizona by vehicles, aircraft, and on foot. As I noted at the outset of my remarks, the remoteness of much of the state and the abundance of clandestine air strips are very conducive to marijuana smuggling and production.

Recent intelligence indicates that commercial-quality Mexican marijuana is now selling for as much as $1,000 per pound in the Phoenix area. Bulk marijuana prices range from $350 to $550 per pound in Nogales, Sonora, Mexico and $500 to $700 per pound when delivered in Tucson.

Over 24,000 pounds of marijuana were seized in the Phoenix Division during January-March 1987, which surpasses the total amount seized in all of FY 86. There has been an increase in marijuana trafficking activity in southern Arizona recently. During the second quarter of FY 87, the Nogales Resident Office handled 36 referral cases, which resulted in the processing of over 9,200 pounds of marijuana. This amount is almost twice the amount processed in the previous quarter.

There were similarly high levels of marijuana removal activity in the Tucson area. Over 12,800 pounds were seized in that area during the the second quarter of FY 87. An additional 2,100 pounds were seized by other agencies in the Tucson area during this same time-frame.

These marijuana seizures represent an increase of 56 percent compared to the the prior quarter, which at the time was at the highest level since 1984.

There have also been increased marijuana seizures in western Arizona, with amounts ranging from 40 to 230 pounds at the San Luis POE. At this port of entry, all seizures have been made from vehicles.

Dangerous Drugs

Clandestinely manufactured amphetamine and methamphetamine are the primary dangerous drugs that are available in Arizona. Generally, these substances are obtained from outlaw motorcycle gangs from Southern California and are distributed locally by low-level gang members.

Recently, however, there have been several methamphetamine laboratories located and destroyed in the Phoenix area. Methamphetamine is available in Phoenix for $60 to $90 per gram, $750 to $1,200 per ounce, and $9,000 to $15,000 per pound.

LSD is making a resurgence and is available throughout Arizona in both tablet and blotter form for $3 to $5 per dosage unit. LSD is not considered a major problem at this time; we are working to ensure that it does not develop into a serious situation.

For some years, the ready availability of precursor chemicals used in the manufacture of dangerous drugs was a significant problem in Arizona. DEA worked with the Arizona DPS on drafting legislation to place controls and restrictions on the movement of precursor chemicals in Arizona; this bill was enacted in August 1986. It appears that the production of dangerous drugs in Arizona has been restricted to those traffickers who are able to obtain precursors from other states.

Senator DeConcini's bill, S. 1361, would address this problem nationwide. Again, DEA appreciates your efforts in support of this legislation.

INVESTIGATIVE PRIORITIES

I would now like to direct my remarks to the Phoenix Division's investigative and prosecutorial initiatives. Within our division, we target the highest level of violators and organizations possible, and direct our efforts against those drugs that have the most impact in our jurisdiction.

Our objective is to immobilize drug trafficking organizations by incarcerating their members, seizing the drugs, seizing drug-related assets, deporting convicted alien traffickers, and extraditing fugitives who are under indictment in Arizona.

Therefore, our strategy focuses on a variety of interrelated activities, which include the following:

1. Use of a variety of investigative techniques, including in-depth financial investigations, to identify and seize assets and obtain their forfeiture.

As Special Agent in Charge, I have stressed asset removal as a priority for this division. To maximize our ability to seize and forfeit drug-related profits and proceeds, we have initiated several task forces, special programs, and joint investigations.

During FY 86, the Phoenix Division seized over $10 million in assets. Of this amount, $7.6 million was seized in Phoenix alone. Approximately $2.4 million were seized through inter-agency cooperation. Thus far this fiscal year, the Phoenix Division has seized approximately $3.8 million, of which $3.4

million was seized by DEA; the balance was seized as a result of interagency enforcement activity. These seizures include real property, vehicles, boats, jewelry, gold and silver, and the like.

Considering the relative size of the Phoenix Division, I believe that this volume of asset removal activity is quite substantial. We will be further enhancing these efforts through the formation of an Asset Removal Team. It will be established in Phoenix and initially it will be composed of agents from the Arizona DPS, the Scottsdale Police Department, Phoenix Police Department, and DEA. The Asset Removal Team will devote all of its time to the identification of forfeitable assets and means of seizing them.

2. Seizure of drugs.

Thus far in the fiscal year, the Phoenix Division has seized almost 1,800 kilograms of cocaine, compared to 1,300 kilograms seized during the entire previous year. Similarly, over 5 kilograms of heroin have been seized thus far this year; whereas, in 1986, a total of 1.5 kilograms of heroin were seized. Marijuana removals are also substantially higher than last year. Approximately 11,300 kilograms have been seized in the first half of this fiscal year, which is about 1,300 kilograms more than was seized in all of last year.

Other DEA Phoenix Division investigative and prosecutorial activities that are important and continually ongoing are:

3. Prosecution, conviction, and incarceration of drug traffickers, and others involved in drug-related activities.

4. Investigation of domestic and international money laundering operations.

5. Use of cooperative investigations, both formal and informal.

6. Use of intelligence derived from all sources to contribute to the investigative process.

The Phoenix Division's Intelligence Unit is constantly working to identify and establish enforcement targets and priorities for our special agents. Special intelligence operations undertaken by the intelligence unit against Mexican traffickers are contributing to heroin and cocaine case activity within the division.

I have also established an informal intelligence task force in the Phoenix Office. The Arizona DPS, U.S. Border Patrol, and the Phoenix Police Department have each assigned one full-time agent to the Intelligence Task Force. The Customs Service has assigned one analyst on a part-time basis to the task force.

OTHER DEA RESPONSIBILITIES

Mr. Chairman, I would also like to describe for you two other activities in which the DEA Phoenix Division is heavily involved.

Demand Reduction

As narcotics law enforcement has evolved, it has become apparent that we must also devote attention to the abuse side -- the demand side -- of the drug supply/demand equation. Consequently, in each of DEA's field divisions we will eventually have a Demand Reduction Specialist. These positions are being filled from the ranks of special agents who have strong drug law enforcement backgrounds, but who also have the dedication, the sensitivity to the problem, and the willingness that is necessary to work with the public on drug abuse prevention.

In effect, this new position will be focusing on preventative education. I strongly believe that this new aspect of DEA's Demand Reduction Program is a viable approach to the problem of drug abuse created by consumer demand and illegal narcotics trafficking. In the near future, I will have a special agent/demand reduction specialist on my staff, and I feel that this specialist will make a very important contribution to the people of Arizona who are concerned about drug abuse.

Training

DEA, as the lead Federal drug enforcement agency recognizes the importance of drawing upon all Federal, military, state, and local resources available to achieve the maximum impact on drug trafficking. Therefore, training is a very important part of DEA's activities in Arizona, just as it is in all other DEA offices, both in the United States and overseas.

To facilitate the best utilization of domestic law enforcement personnel from other Federal agencies, military units, and state and local police departments, the Phoenix Division has developed training programs specifically tailored to those drug law enforcement activities in which the different agencies will be involved. These programs range from basic to advanced law enforcement schools for state, county, and municipal law enforcement and military personnel.

The programs provide training in all phases of drug identification, trafficking techniques, apprehension programs, and training in the financial aspects of drug enforcement, such as asset removal and Arizona state RICO Laws. Conspiracy schools, clandestine laboratory, and air smuggling courses are also offered in state and local special seminars. Hundreds of law enforcement personnel are trained in Arizona yearly by the Phoenix Division with excellent results.

CONCLUSION

In conclusion, I believe that the Drug Enforcement Administration in Arizona is having a significant effect on drug trafficking and drug abuse. Our strong association with the local law enforcement community and our cooperative intelligence and enforcement initiatives have established a foundation that enables us to take action against the strongest of traffickers. Without this close cooperation, many of our successes would not have taken place.

It is also important to restate that I believe that through DEA's cooperative drug abuse education efforts we will be able to arouse the concern of our citizens to reduce the demand for drugs, and in doing so, communicate the appropriate message to Arizona's young people.

Senators, thank you very much for providing me with this opportunity to appear before you today. I thank you for the long-standing interest that you and the Congress have demonstrated in the drug abuse problem and for your continued support of the law enforcement community, both legislatively and by providing us with the resources we need.

I will be pleased to answer any questions that you may have.

Senator DECONCINI. Mr. Burke, thank you. Can you introduce our anonymous witness and give us any background or lead him into giving us some background on some of the cases that he has been on and I will ask him some questions.

Mr. BURKE. We have been fortunate this morning to have an agent with some 17 years experience principally in the Texas border area fluent in the Spanish language. He has been successfully penetrating major Colombian and Mexican trafficking rings for some years. Although not publicly identified, a major number of the successful operations that have taken place at major interstate and international operations that have culminated has been as a result of this agent's work. We will call him Agent John for this purpose and introduce him to you in that manner.

Senator DECONCINI. Agent John, can you give us a little background as to your 17 years, 15 years as I understand as an undercover agent in Mexico, Texas, and Arizona, and one or two of the cases that you have been involved in?

Agent JOHN. I began with the bureau of narcotics and dangerous drugs. I was hired in El Paso, TX, and then went to the Dallas area. And I was in Dallas for about 4 years and then was stationed in Laredo, TX, for about 3½ years. And from Laredo I came out there to Phoenix and I have been here ever since.

I started working cases involving the Mexican border back in 1973 and have pretty much consistently worked cases involving Mexico since them. I began working cases that involved Colombians back in 1980, 1981 after I got here to Phoenix and since that time have been consistently involved in cases that involve Colombian marijuana, cocaine smugglers.

I guess two of the most recent cases, there was a 1,250 or 1,260 pound cocaine seizure that occurred in Phoenix back at the end of February, first part of March of this year and I was one of the agents and probably the lead undercover agent on that investigation. Basically that investigation involved penetration of a Colombian transport organization. And posing as transporters ourselves, we persuaded him to give us 571 kilos of coke to transport for him from Colombia to the United States. Once the coke was in the United States we were going to take it to California for him where his organization would turn it over to the distributors that he had contracted with to bring the cocaine into the country. This guy was significant also because he was actively involved with several Mexican groups in transshipping cocaine that came from Colombia through Mexico. We know that he did this from several parts of Mexico with a couple different organizations.

The next case, I guess, that's pretty recent, I was one of the undercover agents that was involved in the street kilogram seizure of heroin that occurred last week. That involved basically a group of Mexicans that were transporting large quantities of heroin into the United States. We initially began negotiating for 50 kilos of heroin. And due to a lot of pressure by the Mexican Army, we were told by some of the people that we received information that one of the reasons it took us so long to get the seizure that we did was because there was a lot of pressure from the Mexican Army making it difficult to bring the gum down to the processing plants and then get it up for distribution. I have been involved in conspiracies that

involved smuggling of cocaine into the United States as early as 1982 involving Arizona. I have been involved in a case where, I can't prove it, but I'm 99 percent certain that there was a cocaine operation in the northeast valley as early as 1982.

Senator DECONCINI. Agent John, you mentioned the Colombian connection here, either you or Mr. Burke. Can you tell us, is that, from what you know, a new involvement here in the Southwest or has that, from your best judgment, been around for a long time?

Agent JOHN. Well, from my personal experience, I know that there has been Colombians here since about 1981, 1982, because I have been actively involved in cases that involve them.

Senator DECONCINI. Does that correlate with the period of time that cocaine increased?

Agent JOHN. No. I think from what I have seen, the cocaine increase would be within the last couple years. Colombians, and this is something we were discussing the other day, they are looking for a better mousetrap. And if there is a lot of law enforcement present in Florida or someplace else, they are going to move to where there is not a lot of law enforcement present. And that's one of the things that's pretty unique about Arizona is you have pretty long stretches of open border. You have a lot of desert area. You have large concentrations of people in one or two areas. So there is a lot of space. And the Colombians control the cocaine.

Senator DECONCINI. There is no question in your minds that the traffic comes through Arizona?

Agent JOHN. Yes.

Senator DECONCINI. And is it controlled down in Colombia?

Agent JOHN. Yes. Basically you have four or five real large families and they have all been well publicized and to meet them you may have a number of other relatively large organizations.

Senator DECONCINI. And where are they located on the west coast? Are they in Phoenix or in Los Angeles?

Agent JOHN. Mainly the distribution center is primarily out of L.A. and San Diego. In Arizona, your major distribution, I think, would probably be Tucson, although you see more Colombians moving into Phoenix all the time.

Senator DECONCINI. Have you been able to penetrate some of those Colombian organized crime families or organizations?

Agent JOHN. Sure.

Senator DECONCINI. In order to make those cases, you have been able to get their confidence and actually work for them?

Agent JOHN. Yes, basically.

Senator DECONCINI. We were told in New York that they really operate within their own confines almost all the time. Only on the distribution level do they have to go to so-called local people. Is that not true?

Mr. BURKE. I might be able to help you a little. I think we found that with any one of the ethnic groups, if you will, if there is a base of, in a community of people when we talk about Colombians, there is a large number of Colombians obviously in New York City there is a large number. In New Jersey, particularly, the Cubans, they become a support group for the smugglers. When you come into a new area for them, such as the state of Arizona where the number of Colombians actually residing here is very small, they

are much more vulnerable to having to turn to outside people for their support.

We found that through the Pakistani heroin smuggling throughout the United States. I think that in the cities where there are large numbers of Pakistanis we had a very difficult time penetrating. But when they branch out to other markets where they don't have the——

Senator DECONCINI. Part of your success here is the fact that there is not a large Colombian population to rely on?

Mr. BURKE. That's correct, sir. And just the opposite, I think the reason that a number of these Mexican smuggling groups have been as successful as they have been is because of the number of family contacts that they have up here.

Senator DECONCINI. What about property investment of these Colombians and these people? Do they make investments in Arizona, California, for purposes of laundering or just for purposes of having places to go to and use in their business?

Mr. BURKE. It's a combination, Senator. It's investment. We are all aware of economic problems that Mexico is suffering. Purchase of land, real estate up to Arizona is very attractive for that. It's an area that they can easily reach whether it is for a visit or managing the properties or purchasing them. So we have seen consistently, and I know you read the article in The Republic that covered it quite extensively, we have seen extensive purchases of property on many of these cases with IRS, with FBI and other agencies. These are being investigated. And in some of these cases we will be able to seize property eventually. In some of these cases we are not going to be able to. We can identify virtually 100 properties purchased by any single organization. But the way the purchases are made through corporations in Mexico and so forth, it would be virtually impossible unless we are able to penetrate those organizations to prosecute those people and to seize that property.

Senator DECONCINI. Agent John, have you ever been involved with penetrating Mexico and Colombia? What do you find in your conversations, if you do talk about the antidrug efforts in the United States? Is there a feeling that you just build a better mousetrap or is there any commitment or determination up here or just what is the attitude?

Agent JOHN. They are real aware of what is going on. They are aware of DEA, Customs, FBI. They are aware, in certain areas, of the local aw enforcement agencies that are trying to stop them.

Senator DECONCINI. What is their attitude toward that? Are they frustrated at all?

Agent JOHN. No, they are not frustrated. They are going to go wherever they can to bring in the drugs. The drugs to them mean money. For most of these people, it's their way of life, it's what they do as a business. And they consider a lot of seizures of money and coke, for instance, just the cost of doing business.

Senator DECONCINI. You make that reference, cost of doing business. Whatever it takes, they have the resources?

Agent JOHN. They have tremendous resources. They have a whole lot more money than we do.

Senator DECONCINI. Can you give us an example of some of the sophisticated resources that you have experienced?

Agent JOHN. HF radios, high performance airplanes. Not just one, several high performance airplanes, scanners, just all kinds of things. The ability to move freely.

Senator DECONCINI. What kind of aircraft do they have that you can identify?

Agent JOHN. I think the airplane of choice is what they call a 1000 Turbo Commander. It's a turbine powered airplane. It will carry 1,600, 1,800 pounds of cocaine.

Senator DECONCINI. Where is their route as it relates to Arizona and New Mexico? Where would you think they would be planning a mission today?

Agent JOHN. Basically what they do is they pick up a local load of coke and they would bring it up into either southern Mexico or maybe Central America. And then they bring it to northern Mexico and then off-load there. And then, coming in through Arizona, they have all kinds of choices.

Senator DECONCINI. They fly it into Arizona?

Agent JOHN. They can fly it in, put it in pickup trucks, bring it from Douglas or Nogales or San Luis. Basically, in talking to the Columbians that I have talked to, they want to get it in quick. They don't want it to sit here and bring it across in 20 or 30 kilos at a time. They want to get it in. It's a business. If it is sitting in Mexico, it's not doing them any good. They want to get it to L.A. or wherever it's supposed to go. Because if it's a transporter that's involved, he is going to get his money. It is a distributor, he is going to be able to turn around and sell it. It's just like any other product. It's not doing anybody any good unless it's moved.

Senator DECONCINI. When they deal in Mexico with that transshipment, do they deal with Colombians or Mexicans?

Agent JOHN. The Colombians deal with the Mexicans and they will reach an agreement with traffickers down there. The agreements might vary. It might be just for a refueling site and fuel, it might be for a refueling site, fuel, and agreement that the Mexican traffickers will get the coke into the United States.

Senator DECONCINI. Different arrangements for different——

Agent JOHN. It just depends on a lot. Depends on the personalities involved, whether or not there is any trust involved.

Senator DECONCINI. What is your reaction with the American counterpart? Are they always Colombians that they are dealing with here?

Agent JOHN. Basically, when the Colombians control the distribution of the cocaine. In my experience, you don't find somebody like me posing as an undercover agent, saying I will buy 500 kilos of coke. It probably has happened but I think it's extremely rare.

What the Colombians do is you have a transporter. And he might contract with two or three different groups. And he will put a load of 500 kilos of coke on his airplane. He might get paid anywhere from $4,000 to $7,000 a kilo to bring it from Colombia up to the United States. If he can get it into the United States directly without going to Mexico or something like that, he can make more money. He is going to do it. He is going to do whatever he can to make more money and to get the product safely into the States. So he gets it in. And what I found, he will take it to, now it's primarily L.A., and there his group, his organization, which is all Colombi-

ans, will then, in turn, turn it over to the representatives of the families or groups that he contracted with to bring it into the country. Then they will distribute.

Senator DECONCINI. What about the situation in Mexico in dealing with the Mexican underworld there for trafficking? Do you have any experience with what has to be done in order to get the refueling and the logistics put together there? Does that involve a matter of corruption or is it able to be so isolated that they can do it without government knowledge?

Agent JOHN. Generally, the way it happens is you might have a guy that has been referred to somebody. Or some of the discussions I have been involved with, someone in the States may know somebody in Mexico. And the Colombian guy will go meet the Mexican trafficker or his representative and then they will come up with an agreement. And some of the agreements I have heard about is, okay, you bring 1,000 kilos of base up. And this is the Mexican telling the Colombian. And I will provide the processing for it and we will process it into 1,000 kilos of coke and we will split the load with you, and in turn I will get it into the country for you.

Or it could be the Colombian says I have 1,000 kilos of coke and I'm bringing it up in two airlines. And the Mexican guy might say okay, I will get it into the country for you. I want $2,500 a kilo to do it. It just depends. Some people want merchandise, some people want money.

Senator DECONCINI. Do you find in those arrangements the Mexican Government or officials involved in any of it?

Agent JOHN. Sometimes. But you know, recently from what I have seen as far as that, and really my experience is with the Mexican police, there are groups down there that are working very hard——

Senator DECONCINI. With the Federal judicial police?

Agent JOHN. With DEA. A case in point was three kilos of heroin that we did down in Nogales previously to the seizure and expected to take delivery there. There was a unit of the Mexican police that we worked with that were on standby to help us do anything that we needed done. And that carried the investigation back into Mexico as far as it could be carried. And I met and talked with a group supervisor and he was a pretty impressive man.

Senator DECONCINI. Where is he?

Agent JOHN. He is out of Guadalajara.

Senator DECONCINI. Mr. Burke, the DEA has about 40 agents in Mexico now. Can you give me an opinion if that is a sufficient number of agents to give our law enforcement here the available intelligence and information that attract some of the cases in Mexico?

Mr. BURKE. As you know, DEA's oversees philosophy has continued to be over the years, we are not trying to and can't try to supplement the police forces of whatever country we are in. We try to maintain enough people in any one country that, number one, is acceptable to the host government. And there is a perception of problems for the host government as well, political problems that we well realize. If we were to, the Mexican Government wanted to send a large group of our agents to work in their country or the State, obviously there are no Mexican judicial police working over

in Arizona. And I think that when they come over here, there could be a certain amount of public concern for that. What I am saying here is we have people in, I think, probably quite a large number compared to our manpower in other countries. We are concentrating much more on intelligence operations in trying to work with the people, especially the judicial police, whom we have worked very successfully with over a period of years. As you are aware, there is a problem of cooperation in Mexico. Along with a lot of other problems, they do have——

Senator DECONCINI. Have you given the Mexicans the names and evidence of some of the problems that they have?

Mr. BURKE. In what terms, sir?

Senator DECONCINI. Have you shared some of those suspicions or allegations or information that you have on corrupt officials?

Mr. BURKE. It's come to a period of time that there are certain individuals we know we can go to who will work with us. And we are well aware of which one of the colleagues we don't share that information. I have seen that map in police departments throughout the United States——

Senator DECONCINI. Do you do anything about those that you cannot work with and that you believe——

Mr. BURKE. We work around that problem, Senator, very basically.

Senator DECONCINI. You don't turn that over to the attorney general or anyone, any information you have of corrupt Mexican officials?

Mr. BURKE. I think as evidenced by the Camarino investigation, which you are well aware of and we have received your support on, the Mexican police are well aware that, furnished with information, they have made, I believe I could check the exact number here, but at least 40 or so arrests in that case. A number of people have been arrested. The prosecution is going on.

Senator DECONCINI. No one has been brought to trial as a result of Camarino in more than 2 years.

Mr. BURKE. No, sir. And as you are well aware and colleagues in the Senate, we have continued to put pressure and keep pressure on——

Senator DECONCINI. As a result of the Camarino and Cortez incident, do you find the Mexican officials generally more cooperative than they were before?

Mr. BURKE. I don't know about cooperation. But I think you can measure it in the fact they are taking action when we haven't seen action in a long time. I think that two of our three pilots were gunned down in a cafe just a month or so ago by irate growers of opium. They were murdered. As you mentioned and already reported here this morning, they have suffered both very large losses of both military personnel. In the case just referred to, the original negotiation with that group was for 50 kilos of heroin, which would have been a tremendous amount. Their problem was as related to us just prior to delivery, their source of supply was shot and killed by the MFJP in Mexico. Eight of his colleagues were arrested. It put a tremendous crimp in their operations. We were able to independently confirm that had taken place and taken place.

Senator DECONCINI. I take it your answer is yes? It has improved since those incidents?

Mr. BURKE. Yes, it has.

Senator DECONCINI. And along that line, Mr. Burke, you didn't answer my question. And if maybe you can answer it, do you think that 40 or close to 40 agents is sufficient?

Mr. BURKE. At this time, given all considerations of the problem, I think that we probably have enough. I can't answer from the perspective of the DEA SAC here in Phoenix. There may be other feelings in DEA headquarters and I think you might be able to ask Mr. McDermott.

Senator DECONCINI. Do you have any answer for the reason that Mexican authorities, the attorney general, has not brought one single person to trial as a result of the Camarino case?

Mr. BURKE. I couldn't respond to that, Senator.

Senator DECONCINI. Thank you very much. Let me ask Mr. Hawkins and Mr. Lind a couple of questions.

Mr. Hawkins, I take it that for some reason the FBI has not joined the DEA intelligence group that was referred to here where most local and Customs has joined. Is there any reason for that?

Mr. HAWKINS. Sir, we have been involved with DEA on a trading of information.

Senator DECONCINI. Have you assigned anybody to that?

Mr. HAWKINS. We have one agent that is a liasion to the intelligence organization at the DEA. We also have DEA agents residing in our space here.

Senator DECONCINI. You failed to mention FBI as part of your intelligence.

Mr. BURKE. I mentioned only those agencies who do have someone dedicated full-time working out of our office. There are a number of other agencies throughout the city. The door is open, they drop in, there is a regular exchange of intelligence.

Senator DECONCINI. Is there any reason the FBI, with all the intelligence you have, doesn't have somebody full-time there?

Mr. HAWKINS. The reason is just a decrease in our resources. We only have 22 agents dedicated to drug problems, drug investigations in our division. And to take one away just to go reside in DEA's space, we feel we can accomplish the same mission through the liasion mission by having an agent go over there every day as well as, we are working in OCDETF task forces through the DEA and get information through those means.

Senator DECONCINI. Do you share all of your drug-related information with the DEA in relation to Arizona investigations?

Mr. HAWKINS. All of the significant investigations that, as we develop them and will start to review them as a major trafficking problem or attached to a major cartel or financial organization, that information is given to DEA, yes, sir.

Senator DECONCINI. Now, is that done by a case by case basis? Do you have a case after X family or Y organization? Once you identify it do you say hey, we want to advise you, we have this ongoing investigation?

Mr. HAWKINS. In every single case that's open in the FBI and DEA, we have a common form that we utilize to notify each other on every single case, whether it be FBI or DEA.

Senator DECONCINI. Let me ask Mr. McDermott a question.

At Customs, are you satisfied you have total access to all the intelligence that the FBI has as it relates to Arizona cases and the DEA?

Mr. MCDERMOTT. I'm satisifed, Senator, we have access to all the information that DEA has and vice versa. Every report that my agents generate is sent to DEA for report.

Senator DECONCINI. Is that a result of having someone housed in the DEA intelligence system?

Mr. MCDERMOTT. That's part of it, sir. But in addition to that, we also distribute all drug-related investigations and information generally to DEA just as a general rule.

Senator DECONCINI. You both talked about cross-deputization. Does that work both ways? Do DEA agents have authority to do what Customs has or vice versa or is that necessary?

Mr. BURKE. We haven't been and we haven't requested it. There is a standing cooperative agreement between DEA and U.S. Customs that we could request it if we so desired. I haven't seen any necessity for it.

Senator DECONCINI. Right now, Customs is deputized to do the work of DEA subject to your approval?

Mr. BURKE. Assist us under title 21, yes, sir.

Senator DECONCINI. Does that include going beyond the border for followup investigation by Customs agents, who have been cross-deputized?

Mr. BURKE. Yes, sir, it does. It is being done on a daily basis.

Senator DECONCINI. How does that work? Can you give me the scenario on how that works? One of your agents, Mr. McDermott, who is working on a case and you decide to let him go through and if that agent wants to follow it up, do you notify DEA, get approval, and do you join them?

Mr. MCDERMOTT. A variety of those things, Senator. First of all, the Customs interest in becoming cross-designated was to concentrate at the ports of entry and along the border, a concentrated effort to exploit those cases.

For instance, we talked earlier about mules, trying to exploit them into bigger things. we are working on putting together a program where we will actually use either willing or unwilling participants leaving ports of entry with narcotics. This is all coordinated with DEA, and very importantly coordinated with DEA to ensure the stash house that we may be following, the defendant may not be something that DEA is working on as well.

Senator DECONCINI. Where you join together, is that correct?

Mr. MCDERMOTT. That's correct.

Senator DECONCINI. Jerry, do you have time-sensitive intelligence from DEA?

Mr. YOUNG. We get it through Tom McDermott's office and the DEA agent that is assigned to our office.

Senator DECONCINI. Are you satisfied that you have the immediate accessibility of intelligence or can it be improved? I'm not trying to start anything here, I just want to see for my purposes whether or not you are satisfied.

Mr. YOUNG. I think we have better cooperation now that we have ever had. I have been in this for 14 years in Arizona.

Senator DECONCINI. Is it as good as it could be from the standpoint of interdiction, maximizing your efforts?

Mr. YOUNG. I think it could be better only because we have a new set of agents in our office. They are learning our capabilities, they are learning the smuggling, and they are super agents. I think this is the first time this is not a token effort. The DEA agents assigned to our office are class agents. The DEA agents are people that have been working 10, 15 years. And it's a very good organization.

Senator DECONCINI. I'm very encouraged just as one observed and former participant of DEA and Customs and FBI and Border Patrol, INS, it is almost, I think for the first time in the last 15 years I have been around and I'm very encouraged.

Mr. Young, let me ask you about your air program and the assets that that program has. When do you expect to have the total complement of airplanes and other things in your organization?

Mr. YOUNG. I have a total complement right now but the modifications are not complete.

Senator DECONCINI. When will that be completed?

Mr. YOUNG. The timeframe on the second citation is the longest lead time item and that's scheduled for 24 months.

Senator DECONCINI. Twenty-four months from now?

Mr. YOUNG. From I believe the signing. Should be before the end of this fiscal year.

Senator DECONCINI. Is there any reason that is taking so long or is it just technical adaptation?

Mr. YOUNG. Availability of equipment and technical modification.

Senator DECONCINI. How about pilots? Do you have a full complement of pilots?

Mr. YOUNG. The numbers change daily. I have everybody on board except two positions and they have been selected and are enroute.

Senator DECONCINI. What kind of hours can you have aircraft in the air?

Mr. YOUNG. I'm running right now 7 days a week, 16 hours a day and rotating those shifts. October 1, I have been mandated to go to 24-hour shifts.

Senator DECONCINI. Very encouraging. How long have you been doing 16 hours, 7 days a week?

Mr. YOUNG. It's been about 2 months.

Senator DECONCINI. That's very encouraging. Mr. Young, what would you believe, or Mr. McDermott, the most productive program we could establish with the Mexican Government along the Southwest border as far as air interdiction is concerned?

Mr. MCDERMOTT. I would say that establishing an intelligence program or program where we could utilize Mexican airspace and actually be able to fly over.

Senator DECONCINI. Full hot pursuit with Mexican approval?

Mr. MCDERMOTT. That's correct. There was some discussion some time ago, years ago, or maybe it was a program years ago where a Mexican official would actually ride along in our planes and vice versa.

Senator DECONCINI. Is there any discussion with Mexican Government once you get to P3 with the new radar being able to do that? I guess my question really should be, are you satisfied the Mexican Government understands some of the sophisticated assets that have been turned over to Customs to do surveillance from the air?

Mr. MCDERMOTT. I don't really know if I am qualified to answer that question, Senator. That would be handled through our headquarters.

Senator DECONCINI. Mr. Wacker, regarding the Border Patrol, can you go over just briefly how many new Border Patrol agents are physically in Arizona since the Operation Alliance and your increased organization? I believe it was 1,000 for 1987. How many are actually here now?

Mr. WACKER. I can only speak for the Tucson sector. And 2 years ago, we got an increase of 34 positions with the border enhancement package. Since then we have gotten no one.

Senator DECONCINI. Did you fill the 34 positions?

Mr. WACKER. Yes, we did.

Senator DECONCINI. And you have had no new ones?

Mr. WACKER. No, sir.

Senator DECONCINI. You can't help me on NACO, and the fact that I have been told that they were authorized for new positions designated for them to go to training and none of them ever showed up? Maybe they went to Tucson, I don't know. But you don't know anything about that, do you?

Mr. WACKER. We have 14 border patrolmen in the academy at the present time. We have a problem with the drop-out rate in the academy. I don't know if it's the Spanish language or what, but we are running about 60 percent graduates coming into the Tucson sector.

Senator DECONCINI. Does that include——

Mr. WACKER. Yes, sir.

Senator DECONCINI. It does. Do you know anything about the failure of filling, I believe four positions in NACO? Is that——

Mr. WACKER. As far as I know they still have the four positions. I think we have three bodies in the academy at the present time. One has dropped out and the other three will be coming back if they graduate.

Senator DECONCINI. And they will go to NACO?

Mr. WACKER. Yes, sir.

Senator DECONCINI. They will be designated there?

Mr. WACKER. Yes.

Senator DECONCINI. When is that likely to happen? Do you have any idea?

Mr. WACKER. I'm not familiar with which class it is. The classes are staggered out over several months.

Senator DECONCINI. And is that part of the full complement of 34, or are these additional ones?

Mr. WACKER. These are actually overhire positions that we have received. With our attrition rate, we can go into the overhire mode and through attrition fill these positions full time.

Senator DECONCINI. And have you asked for additional people in addition to the 34 you got 2 years ago.

Mr. WACKER. Yes, sir.

Senator DECONCINI. How many have you asked for?

Mr. WACKER. We asked for another 158.

Senator DECONCINI. In 1987?

Mr. WACKER. Yes, sir.

Senator DECONCINI. And have you been denied that?

Mr. WACKER. No, sir, we haven't been. We haven't heard anything definite, no, sir.

Senator DECONCINI. And when did you make that request?

Mr. WACKER. That was when they came out with the immigration reform and control act. That was during that request, if we got *x* amount of positions, how many would you like. And we asked for 158.

Senator DECONCINI. And you had no answer regarding that?

Mr. WACKER. No sir.

Senator DECONCINI. You haven't asked them what has happened?

Mr. WACKER. It's a long process. I don't think that the funding has come forth to fill those positions through Washington.

Senator DECONCINI. I think there was a supplemental appropriation and some money, but I don't know if it was enough and how that is distributed. I'm going to follow up on that.

[Prepared statement follows:]

Testimony by Assistant Chief Patrol Agent Thomas L. Wacker, United States Border Patrol, Tucson, Arizona before Senator Dennis DeConcini at Phoenix, Arizona on August 18, 1987.

The United States Border Patrol is the uniformed law enforcement branch of the Immigration and Naturalization Service. The primary mission of the Border Patrol is to prevent and detect the illegal entry of aliens into the United States. The interdiction of narcotics and other contraband was considered incidental to normal Border Patrol activities.

Beginning in the fall of 1986, the U.S. Border Patrol was given the full responsibility of all ground interdiction efforts along the borders of the United States, with the exception of the Ports of Entry. Border Patrol Agents were trained and given limited Title 21 and Title 19 authority. Thus far, 17 agents have been assigned to assist other agencies with anti-drug enforcement efforts.

7	-	DEA Tucson
1	-	DPS Tucson
2	-	DEA Nogales
2	-	Border Alliance Group - Santa Cruz County
2	-	Border Alliance Group - Cochise County
1	-	DEA Intelligence - Phoenix
1	-	Pima County Border Anti-Narcotics Network
1	-	Pinal County Task Force
17	-	Total (for results of Border Patrol participation, please refer to attached sheet)

The Tucson Sector has a force of 186 agents and 29 supervisors to patrol approximately 280 miles of international border with Mexico. The terrain varies from vast desert to high rough mountain ranges. Departing the border area are 22, all weather highways which connect with two major Interstate Highways that are major routes to the west coast, east coast and to the interior of the United States.

Of the eight Border Patrol stations, five (Douglas, Naco, Nogales, Tucson and Ajo) have linewatch responsibilities along the 280 miles of border with a total authorized force of 158 agents. The average on-duty force to work interdiction efforts along the entire 280 miles of border and traffic check the 22 roads and highways departing the border area (considering two man units and excluding agents working with other agencies) is as follows:

12M - 8A shift - 1 unit for 35 miles

8A - 4P shift - 1 unit for 24 miles

4P - 12M shift - 1 unit for 25 miles

Cooperation between the Border Patrol, Drug Enforcement Administration, Arizona Department of Public Safety and local law enforcement agencies to combat drug trafficking has been excellent. Intelligence and information affecting the individual agencies is exchanged on a continuing basis and Border Patrol electronic sensor devices and night viewing equipment are loaned to any requesting agency to aid them in drug smuggling cases. Due to a high workload, the Tucson Office of the Drug enforcement Agency is short of manpower and upon that agency's request, the Border Patrol often assists them on arrests. The Border Patrol aircraft during their normal flights continually search for domestic cultivated marijuana fields and report any findings to the proper agency.

In the Tucson Sector, as long as we can keep agents on any of the highways to check or observe traffic, we are encountering narcotics at an extraordinary rate. The problem is, due to manpower, the highways of this Sector are receiving approximately one-third of the coverage necessary to control vehicular exits from the Border area. In addition, we only stop and search

vehicles with probable cause. The high rate of seizures we are experiencing, plus intelligence that large supplies of narcotics are staged in Sonora, Mexico for transport into the United States, indicate that an extremely high volume of illicit narcotics are flowing north through the Arizona area.

Of the total drugs encountered by the Border Patrol in the Sector, 74% were smuggled into the United States in the vicinity of Nogales, Arizona and were seized near Nogales or Tucson. This is due to the fact that the manpower at both Nogales and Tucson Border Patrol stations allow for a more constant around-the-clock traffic check and linewatch operation, therefore, the statistics cannot be considered an accurate gauge of narcotic smuggling activity in our area of responsibility.

During FY-87, marijuana was encountered in 301 seizures for an average of 203.5 pounds per seizure. Cocaine at 45 seizures averaged 32.9 pounds per seizure, however, this figure is a bit misleading, three seizures totaled 1,279.5 pounds.

Our information indicates that most marijuana loads seized originated in Sonora, Mexico, and there appear to be at least two growing seasons. Prior to this year, the period June through September had very few seizures, however, now seizures are reduced but not to the same extreme.

Following are statistics on prohibited drugs intercepted by the Tucson Border Patrol Sector for FY-84 through August 13, 1987:

FY 1984

Marijuana	77 Seizures	6,447.57 pounds
Cocaine	2 Seizures	.57 ounces
Total	79 Seizures	

FY 1985

Marijuana	132	Seizures	27,078.97 pounds
Opium	2	Seizures	34.75 ounces
Cocaine	11	Seizures	3.88 ounces
Hashish	1	Seizure	.07 ounce
Pills	1	Seizure	500.00 pills
Total	147	Seizures	

FY 1986

Marijuana	160	Seizures	21,503.26 pounds
Cocaine	21	Seizures	1.67 pounds
Heroin	7	Seizures	18.97 ounces
Total	188	Seizures	

FY 1987

Marijuana	301	Seizures	61,244.01 pounds
Opium	1	Seizure	4.50 pounds
Pills	5	Seizures	8,029 units
Cocaine	45	Seizures	1,481.60 pounds
Heroin	4	Seizures	1.22 pounds
L.S.D.	1	Seizure	4.00 units
Mushrooms	2	Seizures	2.04 ounces
Cash	18	Seizures	$519,324.88
Vehicles	207	(192 cars/pickups, 15 tractors, trailers, motorcycles, motor homes)	
Weapons	104		
Real Property	3	Seizures	$255,000.00

NUMBER OF NARCOTIC PRINCIPALS ARRESTED AND STATUS:

U.S. Citizens 154, Immigrants 57, Non-Immigrants 36, Illegal Aliens 200.

Statistics for Border Patrol Agents assigned with DEA Tucson, Arizona:

106	Arrests
398.5 pounds	Cocaine seized
8,753 pounds	Marijuana seized
13 ounces	Heroin seized
72 ounces	Opium gum
4 pounds	Peyote buttons
35	Vehicles
38	Weapons
$405,407	U.S. Currency
$125,000	Real property
$740,000	Invested funds confiscated

Statistics for Border Patrol Agents assigned with DEA Nogales, Arizona:

83	Arrests
18,207.5 pounds	Marijuana seized
7 ounces	Heroin seized
192 grams	Cocaine seized
94	Vehicles (includes 3 tractor trailers)
1 house and 3 parcels of property	
Liz Pendens placed on rance $190,000 value	
13	Weapons
$52,693	U.S. Currency

Statistics for Border Patrol Agents assigned to Border Alliance Group Cochise County.

661 pounds of marijuana (Border Patrol initiated)
531 pounds of marijuana (Border Patrol assisted)

Statistics for Border Patrol Agents assigned to DPS Tucson. All statistics are assists only.

23	Arrests
752.8 pounds	Marijuana
1 ounce	Cocaine
3.5 ounces	Heroin
22	Vehicles
12	Weapons
$8,045	U.S. Currency

Senator DECONCINI. Gentlemen, I have no further questions. I want to thank you very much for your testimony today and compliment you. I haven't always been complimentary of the Federal agencies. The cooperative effort here that I have seen go from bad to worse in some cases, but to me it's a most encouraging oversight that I have seen from a congressional point of view. And I know it has a lot to do with your personal leadership and the people that work for you, putting aside some of the jurisdictional disputes and problems. And I know those are not easy, having been part of that process here once some years ago but I really mean it that to me it is a credit to you. And we are going to do what we can in Congress to find those assets. Thank you very much.

I'm going to ask that we now vacate the room again so we can get our special agent out. I would like to thank him very much.

Senator DECONCINI. I wanted to thank you very much for taking the time out of your very busy schedules in helping us with the Operation Alliance and drug enforcement effort here. It seems like old home week with Mr. Attorney General and Mr. County Attorney. You gentlemen are leaders in the effort here on a local level.

We will just ask if you would summarize your statements in 5 minutes if you can. We will start with you, Mr. Attorney General Corbin.

STATEMENT OF ROBERT CORBIN, ATTORNEY GENERAL, STATE OF ARIZONA

Mr. CORBIN. Thank you, Senator. It's a pleasure to be here. Our office has narcotic jurisdiction but we just don't have any investigators to do what we are required to do, so we have never gotten involved in the investigation of undercover narcotics. We have given assistance to field agencies, to other police agencies when requested. We do a lot of RICO when there is RICO available to do so. So basically we are not really involved in the actual investigation and prosecution of narcotics as I would like to. I hope to with the new criminal bill coming in which hopefully will provide us with some people.

But there are two problems with this new criminal statute. I think it went into effect today. It is one of the toughest ones we have in our country. Most of the things about the problems in Arizona I'm not going to go back into. They have all been said here. But when the legislature passed our new narcotics code which provides money to prosecutors, to all types of law enforcement to give them additional money to hire people to do the investigation and to also hire prosecutors to prosecute them, courts to try them, jail space to house them and a prison to put them in was dependent upon Federal money. And there has been a cutback, I think you said it in a press release, of $225 million. Peter Hayes and I asked him before I came down here how will that cut affect our program we have in Arizona? $250 million, I think we are going to get out any problems but it will affect us in the future. And if this money is cutback, we do not get the Federal money that the legislature was counting on when they passed this bill. Our new drug bill will self-destruct because the way it was passed and we didn't get the Federal money, basically matching funds. We don't have a law. So

this cutback of $225 million, we believe, will affect the state of Arizona and our new drug bill which could possibly not go into effect.

Senator DECONCINI. Excuse me, Mr. Corbin. We got $225 million under the drug bill this year. What do you need for next year?

Mr. CORBIN. There is some discretionary funds of about $5 million.

Senator DECONCINI. This year for 1986? And then what do you need for 1987?

Mr. CORBIN. I think it's about the same. Maybe Peter could help me.

Senator DECONCINI. Maybe you could give us that, if you would later on, just so I understand. I want to be sure I know how much is necessary for 1988 since we only have about 6 weeks left and what is needed for 1987. It's an interesting proposition of putting the scare on the Federal Government for a change. I suspect that some of the genius prosecutors here in this room at this table may have had something to do with that.

Mr. CORBIN. The bill was drafted basically by Al Lyons, who represents the county attorneys of the State and Steve of my office. They felt that this is what was needed. Another problem, at least as we see it, I think I have written to you about it, is the bill before the Senate right now, I believe, to freeze forfeitures until October 1988. This would greatly impact all the local law enforcement because most of our legislatures and our city councils and boards of supervisors just don't give us the money that we need to get the job done here in Arizona and we could use more people.

Senator DECONCINI. Do you have any idea what that amounts to just roughly?

Mr. CORBIN. I have no idea but I know we save a lot. We do a lot for RICO, not so much in the narcotics area. I know we work in the RICO for them. I think it was $112,000 I gave them as their investigative costs of that case last November. It was an undercover gambling case, about $138,000 we will be giving back to the city of Phoenix to reimburse them. So we are effectively using the State RICO, which I believe is one of the best in the country. But I do know local law enforcement could speak more about how much local law enforcement is getting. But I think it would certainly hurt us if there is a cutback on federal forfeitures and giving to the States and prosecutors until October 1988.

We do have a problem here. I'm not going to go into that. I know it's been said that better than 50 percent of our crime in Arizona is drug-related and the talk about the burglaries and robberies and everything else that goes with it. The new drug bill, I believe, is a very, very fine bill because the way we attacked it was to apply this money and get it to hopefully deal with the problem. But it doesn't deal with the education and I think that's another thing. I think we have to get to these kids, educate them that drugs are not the way to go. You can't wait until they are in the seventh and eighth grades because I know Phoenix Police Department has told me they have heroin and coke being pushed in seventh and eighth grade here. So we have to get these kids earlier. How I don't know. But I think it's something we have to do.

That's about all I have to say basically. We appreciate your help in Washington.

Senator DECONCINI. Mr. Corbin, thank you.

Just for information purposes, in Customs latest survey or inventory of seized property and custody, it exceeds $100 million in value that is supposedly available, 283 aircraft, 246 vessels, 1,588 vehicles, over 2,000 pieces of general property. I don't know of how much value that is to you, but I wondered if local law enforcement and prosecutors are aware of this type of assets that are there that ought to be looked at.

Mr. CORBIN. No, sir, I was not aware of it. One of the problems, if we take aircraft to be used, it is very difficult to get the money to fix them and fly them. That's probably about all you can do with them is just put them up for sale. No, I was not aware of it.

Senator DECONCINI. Mr. Attorney General, I thank you for your leadership in passing some of these strong bills that the Governor initiated and the legislature sponsored and you certainly were a moving force behind it and I feel good for Arizona.

We will now hear from Mr. Daniel Knauss, assistant to U.S. attorney for Arizona.

STATEMENT OF DANIEL G. KNAUSS, CHIEF ASSISTANT, U.S. ATTORNEY, DISTRICT OF ARIZONA

Mr. KNAUSS. I would first like to express U.S. Attorney's MacNamee's regrets for his inability to appear here today. As you know, he had a prior commitment to attend the Ninth Circuit Judicial Conference.

You commented with the last panel that you felt that the cooperation you had seen was the result in some instances by the personal leadership of some individuals involved. And I would like to quickly compliment special agents in charge Terry Burke and Mr. McDermott. The two of them have gotten together recently, they are both fairly new in the State, and have done an excellent job getting those 250 agencies to cooperate and coordinate.

I don't think there is any need to talk about the situation in Arizona in terms of our unprotected border and our population and so on. I do wish to express our gratitude to Congress for the Operation Alliance increase. We have increased our staff of attorneys in the district of Arizona from 37 to 48. Those are in addition to the OCDETF, Organized Crime Drug Enforcement Task Force, attorneys who are already in place and working on the largest and most complex narcotics cases. We believe that cooperation between the Federal Government and the local government both in law enforcement and if they are a separate entity the prosecutors are very important.

And I think that the asset forfeiture sharing program is one thing that has made a difference to the local law enforcement. It's been slow in implementation. It takes a while to get the assets to them but so often they are used to the Federal Government announcing programs and not coming forth with any money. And they are beginning to get it now. And I, in preparation for this hearing, checked with the U.S. Marshal Service which is tasked with keeping track of and maintaining seized property. But it does not include at this point Customs property, property seized by the Department of Customs. To date, the Marshal's office tells me that

they have turned over to local law enforcement $224,000 worth of cash, vehicles, aircraft and so on. Within a week or two, we expect to turn over a check for about $200,000 to Yuma County resulting from local law enforcement participation in a cash seizure. I should also state that I am told there is about 3 million dollars' worth of cash and assets in the pipeline which is due to be turned over to local law enforcement here in Arizona.

With the advent of Operation Alliance in our district, our criminal caseload in our Tucson office alone has increased approximately 47 percent. And that is not due to the increase in attorneys that we recently got because those people are new on board; in fact, three of them are out of the office for awhile studying for and obtaining the Arizona Bar examination, but as reflected by the increased law enforcement resources which have been placed in the State because of Operation Alliance. I expect that when these attorneys are on board and fully operational that we are going to see an even greater increase.

In fact, as Mr. McDermott told you, we have recently changed our prosecution guidelines. We are not declining cases as we have done for years at the port of entries based upon amount alone. Seizures have come from small amounts at the port of entry to several 400-, 500-pound cocaine seizures actually being driven through the port of entry. Of our Operation Alliance positions, we have dedicated three of them to assets forfeiture work alone, two in the Phoenix office and one in our Tucson office. Our Tucson office attorney is a very experienced criminal prosecutor who does just forfeiture cases.

And through the third quarter of fiscal 1987, we have collected $1,063,134 in forfeitures. And that is money that has gone into the general treasury of the United States. I should say, by the way, as far as the U.S. attorney's office is concerned, to the extent that we can turn over assets which have been seized and forfeited to the asset sharing program directly to local law enforcement, there is more of an impact in the district and state of Arizona than there would be for the Federal Government to turn over the Federal treasury. Obviously the portion that comes back to local law enforcement is a lot less than what goes to the State.

Right today, in connection with our early coordinating committee, there is a meeting in Flagstaff of the narcotics subcommittee. I could not attend it but Nancy Stevens from our office is attending that. And beginning yesterday in Santa Cruz County, a task force made up of the Santa Cruz Sheriff's Office, Nogales City Police Department, Customs representative, DEA representative, and I believe some Border Patrol have begun to work cases there. They are not port of entry cases, but will be working traffic in the Santa Cruz County. The assets that have been given to us we are thankful for.

We applaud the administration for taking the eradication of narcotics production to the countries of origin and we applaud Congress for enacting stiff new penalties for trafficking of narcotics. I believe that U.S. Attorney McNamee is quoting you when he says drug smuggling and trafficking are forms of international terrorism.

[Prepared statement follows:]

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STATEMENT

OF

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CHIEF ASSISTANT UNITED STATES ATTORNEY
DISTRICT OF ARIZONA

Mr. Chairman and Members of the Senate Caucus on International Narcotics Control:

I appreciate the opportunity to appear before you to discuss the role of the United States Attorney's Office in the District of Arizona in prosecuting drug cases within our District. I regret that the United States Attorney for the District of Arizona, Stephen M. McNamee, is unable to be present at the hearings. As you know, he had a prior commitment to attend the Ninth Circuit Judicial Conference.

International drug smuggling cannot be discussed without mentioning Operation Alliance, the Southwest Border interdiction program. We wish to thank the Administration and members of Congress, especially those present today, for the additional resources generated through the funding of Operation Alliance.

Geographically, Arizona is the sixth largest state containing approximately 113,508 square miles, with over 350 miles of international boundary with the Republic of Mexico, 20 Indian Reservations, and the ninth largest metropolitan area in the country. Phoenix and Tucson are also two of the fastest growing cities in the United States. Though Arizona is one of the most urbanized states in the U.S.A., it contains large, unpopulated areas with numerous isolated airstrips making our terrain attractive to air smugglers entering the United States from the Republic of Mexico. The extensive boundary with the Republic of Mexico, often unmarked and unguarded, also facilitates drug smuggling and drug related activities by those who use Mexico as a processing and

staging area for narcotics destined for the United States.

With the implementation of Operation Alliance, our office staff has increased from 37 attorneys to 48. We wish to thank the members of Congress for their recognition in generously appropriating necessary prosecutorial resources to combat the drug smuggling activity along the Southwest Border, particularly our own Senator DeConcini. We wish also to thank Attorney General Meese and Deputy Attorney General Arnold I. Burns in allocating Arizona 15% of the resources available for Operation Alliance. These new resources will complement the six Organized Crime Drug Enforcement Task Force attorneys (OCDETF), in our district. It should be noted that all other attorneys assigned to our criminal divisions in our Tucson and Phoenix Offices prosecute drug cases also.

At this point I wish to address the OCDETF cases being prosecuted in the District of Arizona. It is fair to say that these major conspiracy cases are multi-district in nature, with Arizona playing a major role in importation and distribution activities. It is not unusual for the "kingpins" of these organizations to be involved in the importation and distribution of large amounts of narcotics through various frontiers of the United States and into Arizona for further transshipment around the United States or to directly import narcotics into Arizona and then to transship the drugs to other locations throughout the United States. The prosecution of OCDETF cases generally involves one or more charges under 21 U.S.C. 848, the continuing criminal enterprise or drug kingpin statute. These cases involve the seizure and forfeiture of substantial assets.

The OCDETF cases are usually investigated and prosecuted in conjunction with state and local law enforcement agencies. I cannot think of any OCDETF case that did not involve intergovernmental cooperation. This assistance also allows the federal government to share forfeited assets with state and local law enforcement. To date we have shared over $224,000 worth of cash and vehicles, aircraft, etc. with state and local authorities for

their cooperation in the prosecution of narcotic traffickers.[1]

With the advent of Operation Alliance, our criminal case load has increased approximately 47% in our Tucson Office which covers the majority of Arizona's international boundary with Mexico. This increase reflects increased trafficking and federal law enforcement resources. It does not reflect increased AUSA resources in the District. Our case load is up in Phoenix also. These cases involve the importation of drugs into the United States from the Republic of Mexico by couriers commonly referred to as "mules." Seizures range from small to very substantial amounts, including several 400-pound cocaine cases.

It is not unusual for an individual to enter a port of entry with less than 100 pounds of marijuana concealed in a false compartment in his vehicle, which is not registered to him. From a prosecutorial point of view these are often some of the most difficult cases to prove in court because defendants always claim they "didn't know it was in the car." In most cases there is no other evidence and the difficulty increases as the size of the seizure decreases. Juries are often willing to accept a defendant's story that he did not know the narcotics were in the vehicle. Our intelligence sources indicate that most couriers are members of structured organizations and not individuals merely hired from the street. After all, with marijuana selling for over $500/lb. in Arizona, what smuggler would entrust thousands of dollars of contraband to an unknown individual? Unfortunately such intelligence data is inadmissible hearsay in court.

We have allocated three Operation Alliance positions for asset forfeitures and to assist in conducting financial investigations. These three positions have been filled with a seasoned and experienced Assistant United States Attorney familiar with the intricacies of conspiracy prosecutions, an experienced asset forfeiture attorney who was recently hired from the State Attorney General's Office, and a former head of the Criminal Investigation

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[1]Source: U. S. Marshals Service National Asset Seizure and Forfeiture Program, Report 32, List Of All Properties In Order Of Date Received, dated 7/28/87, District of Arizona.

Division, Internal Revenue Service, who has recently become an attorney and is also a CPA. Through the third quarter of FY 1987, we have collected $1,063,134 in forfeitures of seized assets. The other Operation Alliance positions in our Tucson Office are being filled by seasoned Assistant U. S. Attorneys from other districts, or experienced local prosecutors.

I would like to comment on our efforts to cooperate with prosecuting authorities in the Republic of Mexico. We recognize that with any foreign nation, misunderstandings about each others prosecutorial policies, laws and customs will occur. But in an effort to overcome those we have occasionally referred cases back to Mexican authorities for the purpose of prosecution in that country. The Attorney General for the state of Sonora, Carlos Robles Lausteneau, has had several meetings with U. S. Attorney McNamee and other prosecuting and law enforcement agencies in Arizona in an effort to further develop cooperation between our bordering states. In one case in which we exchanged information, approximately 26,000 pounds of marijuana was seized in the Republic of Mexico.

One focus of our Law Enforcement Coordinating Committee (LECC) is stressing cooperation among agencies. United States Attorney Stephen M. McNamee is a firm believer that team work gets the job done. With the cooperation of federal, state and local law enforcement agencies, narcotic task forces have been established in most of the Arizona border counties. These task forces will carry out the shared responsibilities for narcotics prosecution and will serve as conduits for direct referral of seized assets to be forfeited to state and local governments. This will also relieve federal agents from lengthy trips to federal court on cases more appropriately handled in state court.

This will not reduce the efforts of this office or federal law enforcement agencies. In our original projections, we estimated that Operation Alliance could increase our overall caseload by about 27% when fully operational. Yet we find our criminal caseload is already up 47% in Tucson, without the impact of our new Operation Alliance attorney positions. We intend to pursue these cases vigorously and, where appropriate, take on even larger cases that are resource and labor intensive to avoid a strain on state and local resources. We have just revised our narcotics prosecution guidelines and, for the time being, no prosecution will be declined based on the amount of contraband alone. These guidelines are more liberal than those in other areas of prosecution but we believe our efforts to vigorously prosecute these cases are in accordance with the priorities of the Administration, the Congress, and the leadership of this Caucus.

We applaud the Administration for taking the eradication of narcotics production to the countries of origin, and we applaud Congress for enacting stiff new penalties for trafficking in narcotics. As Senator DeConcini put it, drug smuggling and trafficking is a form of international terrorism.

Senator DECONCINI. Mr. Knauss, thank you.
Mr. Verkamp.

STATEMENT OF JOHN VERKAMP, ATTORNEY, COCONINO COUNTY, AZ

Mr. VERKAMP. Good morning, Senator. Many of the other witnesses have discussed the overall scope of the problem involving drug trafficking in Mexico so I thought I would focus on some of the unique factors that pertain to northern Arizona, which I am from, and also tell a little bit about our task force. I wanted to mention, and I'm sure you are very familiar with Coconino County, but it is the second largest county in the United States. It is larger in area than many New England States. About half the population resides in Flagstaff. Just a small population from a few other areas means that the great majority of the county is a completely unpatrolled border and completely remote to law enforcement. So I point that out as a factor.

We have geographical features such as the Grand Canyon, Lake Powell, San Francisco Peaks, which make it very rugged terrain. For example, we have been told and we believe that air smuggling occurs by dropping drugs into Lake Powell and then having the drugs retrieved by boat and distributed from them there. So the strange geographical features and the size of the county contribute to our problem.

In the 1970's when marijuana smuggling was kind of a major thing, many of the area of northern Arizona were used for remote air strips and we expect that to kick up again in connection with the cocaine trafficking, especially as additional pressures are applied both in Florida and the Arizona border with Mexico. So we believe that there is a real good opportunity for remote air strips in Coconino Country and Apache County and Navaho County.

Also, a factor that a lot of people don't think about too much for Flagstaff is the fact that we have the two interstate highways running through Flagstaff which basically funnel a lot of transient traffic through Flagstaff. So we have the I-40, which is the major east-west route from Chicago to Los Angeles, and I-17 bringing a corridor of drugs up from the Mexico border up north to Salt Lake City and Denver and other points north. And those two interstates cross at Flagstaff. So we have the problem of apprehending a lot of drug traffickers who really aren't, that's not their target area but they are passing through the Flagstaff area so we get stuck with the prosecution and apprehension of those individuals.

The transient population is immense. We get millions of people going through our town each year and a lot of illegal aliens. So we do have a perfect opportunity for drug smugglers to use these kinds of people to bring drugs through the county. Also, law enforcement agencies have referred to I-40 as the cocaine corridor because we know in profiles that smuggling is taking palce with rented vehicles, with false I.D.'s, with false containers in vehicles. It's being brought back and forth between Florida and the west coast. So Flagstaff kind of gets caught in the vortex of those two interstate highways.

The other item that makes it a little different from other areas in the State is the large portion of the Navaho reservation and a number of jurisdictional problems, which increase the problem for law enforcement. Because in the area of drugs where you have victimless crimes, if an Indian is the defendant, then you have basically Federal jurisdiction, either tribal or FBI. If you have a non-Indian involved in a victimless crime, then it's state jurisdiction. So you have a whole area out there because the FBI and the tribal police do not focus on narcotics trafficking. You have basically what is almost a no man's land for the commission of crimes out on the reservation in very remote areas. So we expect that drug traffickers, when they see the opportunity, and they have in the past, they will know that flying drugs into remote air strips on the reservation is almost a golden opportunity to commit drug offenses and trafficking without having too much prosecution attention. I point those out just to kind of put it in context for my viewpoint.

The other thing I was going to talk about was the metro approach, which is a task force approach that we have in Flagstaff. We have tried to combine all the law enforcement agencies in the Flagstaff area, including both State, local, and Federal into a multi-task force. Basically we have a governing board which is composed of the FBI, U.S. Customs, DEA, Department of Public Safety, County Sheriff's Office, Flagstaff Police Department, Northern Arizona University police and our office, the Coconino County Attorney's Office. The officer in charge, or the department head of each of those agencies sits on the governing board for this agency and we make joint decisions as to allocation of resources and use of manpower, the agents themselves. This may be different from other task forces but the agents themselves are located in one physical building. Right now they are housed at the Flagstaff Police Department but we are going to get a new office for them so they will have a metro unit so they are all physically sitting desk by desk in one location. I think that facilitates the flow of information and intelligence. So we feel it's been very beneficial. We just started this in the last year and the results are already starting to pay off. I think having the County Attorney's Office involved on the board of directors, and we also have one deputy who focuses on the cases being brought in by the metro unit, has been very important because we can get in from the ground floor when there is a case and determine what the best approach is, whether we want to let the Feds take it because of certain statutory provisions or if we want to handle it on a State level.

DEA and Customs, I think, have also both recently seen the benefit of potentially coming to northern Arizona due to the fact that Customs has recently assigned two agents to the task force there and DEA has just put a person on temporary assignment. Terry Burke is hoping that he can make that a permanent assignment to northern Arizona where we would have Customs, FBI, and DEA all working on this task force. So I think it bodes well for the future that both the Feds, the local and the State cooperate in this task force and that they are using the County Attorney's Office as a tool to force Arizona to be on the board of directors to assist in directing the prosecution from day one, and also Federal statutes, or State statutes both as a tool. Thank you.

[Prepared statement follows:]

TESTIMONY OF COCONINO COUNTY ATTORNEY JOHN VERKAMP
BEFORE THE SENATE CAUCUS ON INTERNATIONAL NARCOTICS CONTROL
AT A HEARING IN PHOENIX, ARIZONA ON AUGUST 18, 1987

Senator DeConcini and Members of the Caucus - -

Many of the other witnesses you have heard today have discussed the overall scope of the illegal drug problem in Arizona as it pertains to international drug trafficking along the Southwest border and Mexico's role in this matter.

Therefore, I have chosen to focus my initial remarks on those factors which may be unique, or of special importance, to Coconino County and Northern Arizona. I will then discuss some problems we have in common with other jurisdictions involving narcotics enforcement and how we are trying to solve both sets of these problems.

I. SPECIAL PROBLEMS

These include the following:

A. Geography - Coconino County is the second largest county by area in the United States. The county encompasses an area of 18,562 square miles -- an area larger than several of the New England states. Because just under one-half of the county's population resides in Flagstaff, with only a few other small population centers, there are vast areas

of Coconino County which are very remote and completely unpatrolled by any law enforcement agency. With geographical features in the county such as the Grand Canyon, the San Francisco Peaks, Lake Powell, and portions of the Navajo reservation, there exists a great opportunity for many types of crimes, including those involving drugs, to go completely undetected. For example, we believe that drugs are being airdropped into the huge expanse of Lake Powell and then picked up by boat for further delivery.

Law enforcement agencies, of necessity, must concentrate on the population centers and, therefore, vast areas of the county are quite remote from the nearest law enforcement office. Historically, isolated roads and airstrips have also been used by air smugglers in the County -- both on and off the Navajo reservation. As enforcement pressure is applied to the Mexican border, the use of remote airstrips and roads in Northern Arizona will probably increase. This situation occurred with marijuana smuggling in the 1970's.

B. Location - The primary population center for Coconino County is Flagstaff, which is centrally located at the intersection of interstates I-40 and I-17. I-40 is one of the primary east-west routes

from Chicago, and other points east, to Los Angeles. I-17 is the main north-south artery running from Phoenix and Southern Arizona to many points north. Flagstaff serves as a major stop-over for travelers along Interstate 40, being the largest city between the greater Los Angeles area and Albuquerque, New Mexico. It also is a major stop-off point for persons traveling from Southern Arizona, including along the Mexican border, to the north towards Salt Lake City, Denver, and other northern destinations. The interstate highway system effectively funnels traffic into Flagstaff and Coconino County. As a result of this location, Flagstaff has a crime rate which is much higher than an equivalent-sized city lying elsewhere, due to the extremely large number of people passing through the area. This includes transients of many kinds and illegal aliens who are on their way to or from other parts of the country. The combination of transients and illegal aliens is a natural for the shipment of illegal drugs from Mexico north, and back and forth between Florida and Los Angeles. In fact, many law enforcement agencies refer to I-40 as the "cocaine corridor". Our law enforcement agencies have clearly detected a profile of persons who are transporting cocaine from the Florida area to the West Coast. Many of these persons use rented cars, false identities and

vehicles with false containers to transport drugs through the area.

The drugs involved are most often not intended to be distributed locally, but transported out of the state or to the larger cities. The cost of apprehension and prosecution, however, falls on local agencies who are thwarted by the traffickers' mobility, lack of enforcement and prosecution resources, and jurisdictional questions. Increased smuggling will result in more interdictions, and require more expenditures for prosecution and enforcement on the local level.

C. Jurisdiction - Law enforcement problems in Coconino County are also increased because of the multiplicity of jurisdictions in the County.

In addition to the normal jurisdictional issues involving local and state law enforcement agencies, several federal government agencies are involved, as well as the Navajo Nation.

Because there is potential confusion as to the role to be played by all of the agencies involved, there is real opportunity for areas of criminal "no man's land" to exist within the county.

For example, on the Navajo reservation, victimless crimes would be prosecuted by either the tribe or the federal government if they involved Indians, whereas such crimes would be handled primarily under

state authority if committed by non-Indians. Since state and local authorities are not located on the reservation, and the Navajo and BIA police are not manned or equipped to focus on drug-related offenses, and the federal agencies are not sufficiently manned in this area, there is a large part of the County which is very conducive to the commission of crimes, especially those involving the use, possession, sale and transportation of illegal drugs.

II. PROBLEMS IN COMMON WITH OTHER JURISDICTIONS

In addition to these special problems, Coconino County faces many of the same problems faced by other jurisdictions in the area of drug enforcement. The prevention of drug violators requires that there be some form of creditable deterrent to the use and sale of drugs.

Most local agencies enforce narcotic laws to some extent. The problems confronted by the agencies are primarily that:

1. The primary mission of local agencies is to respond to in-progress calls for service which encompass a variety of general police duties related to protection of life and property.
2. The budget allocations for these departments

generally barely cover the costs of uniform patrol and investigation of UCR crimes.

3. Narcotics investigations require additional manpower, equipment and operating funds which are beyond the normal budget which is based on call load.

4. These agencies at best can provide a minimal number of man hours and money to pursue narcotic violators because of the increase in population throughout the state that has increased the calls for service.

5. The mobility of drug traffickers who cross jurisdictional lines with ease inhibits their pursuit by local agencies.

   A. Distribution systems often encompass various local jurisdictions causing a fragmentation of intelligence.

   B. Local police agencies lack the resources and jurisdictional flexibility to conduct multi-jurisdictional investigations.

6. Local agencies, due to the volume of calls for service, have more street contact than State or Federal agencies which often gives them access to more police intelligence. Jurisdictional possessiveness often results in a lack of follow-up in regard to narcotic violators who operate in more than one area.

7. Most of the smaller agencies do not have undercover

resources to pursue violators due to the process by which officers are hired and trained on the street in uniform. By the time an officer is trained he is known to the local violators.

The burdens of on-going calls for service, lack of undercover resources, the lack of surveillance equipment and narcotic buy money, coupled with jurisdictional possessiveness have inhibited law-enforcement from effectively providing a creditable deterrent to drug violators in the past.

III. THE PROPOSED SOLUTION

The law enforcement agencies in the Flagstaff area have adopted a two-prong approach to the war on drugs.

1. Provide a creditable deterrent to the abuse and sale of drugs to restrict supply.
2. To educate the community against the abuse of drugs through educational programs conducted through the school system and civic organizations.

The agencies in Northern Arizona, faced with the manpower, funding, and equipment problems that affect all small and midsized departments have consolidated their available resources into a multi-agency investigative unit, which has the mission of providing a strong deterrent to drug use and distribution.

A. THE EVOLUTION OF THE "METRO" UNIT

The history of narcotics enforcement in the geographic area of Flagstaff, Arizona has been a series of time periods during which each of the five local agencies have worked independently with inadequate resources toward narcotics and drug interdiction. During these times, narcotics enforcement efforts were conducted on a hit-and-miss basis depending on each agency's availability of manpower and resources.

These time periods were interrupted on three occasions by the formation of multiple agency cooperative units.

During the time periods that the cooperative units were in existence the number of seizures and criminal charges filed increased.

Several prominent drug distribution systems were dismantled during these cooperative efforts.

The current cooperative effort in Flagstaff was initiated during a recent major investigation which was a cooperative effort involving the FBI, Department of Public Safety, Flagstaff Police Department and the Coconino County Sheriff's Office. This year-long investigation that resulted in the conviction of eighteen people, two of whom were convicted of operating a continuing criminal

enterprise, taxed the resources of the participating agencies to the limit.

The success of this investigation, along with several other joint ventures, prompted the reformation of the Northern Arizona Metro Unit.

B. Structure of the "Metro" Unit

The unit receives direction from a Board of Directors that consists of the chiefs or officers-in-charge of each of the participating agencies and the County Attorney.

The current Board represents the FBI, U.S. Customs, DEA, Department of Public Safety, Coconino County Sheriff's Office, Flagstaff Police Department, Northern Arizona University Police Department and the Coconino County Attorney's Office.

The "Metro" Unit consolidates manpower and resources from all of the agencies into a flexible pool that can respond to local drug enforcement needs. It is important to note that all of the agents assigned to the unit by their respective agencies are physically located in one building rather than being scattered throughout different agencies' offices.

C. Benefits of the "Metro" Unit

During its existence, the unit has provided the necessary manpower to conduct long term, involved investigations while allowing the local agencies to maintain their response to calls for service. The

access to intelligence, buy money, equipment, and manpower from each of the participating agencies has facilitated the enforcement of the current drug statutes.

The combining of Federal, State and local agencies into the unit has provided an increased number of statutes that can be used for seizures or prosecution. The cases can be filed either federally or locally, depending on the statutes involved.

The unit has increased community awareness by providing high-profile arrests. The flow of information has been enhanced by providing one investigative unit for citizens to contact.

The inclusion of the County Attorney as a member of the board has facilitated prosecution and cooperation between investigators and prosecutors.

The participating agencies, in addition to enforcement, are working with the school system and civic organizations to educate the community against the abuse of drugs.

The "Metro" Unit in effect provides a deterrent to the sale and use of drugs while the educational programs are attempting to reduce demand.

It is believed that in the Flagstaff area the enforcement-educational approach to reduce drug

usage has a high potential for success and it is best carried out on a multi-agency basis. The experiences of the Flagstaff area law enforcement agencies indicate that due to the mobility of narcotic traffickers, the limited resources available, and the manpower expenditures required, the only feasible approach to interdiction is to consolidate resources by the formation of multi-agency investigative units. The removal of jurisdictional disputes and the consolidation of intelligence and manpower promotes the investigative process and ensures that investigative leads are pursued at the appropriate jurisdictional level. The recent addition of agents from two other federal agencies -- DEA and Customs -- seems to reflect their belief that such a unit holds great potential for narcotics enforcement in Northern Arizona. The increased federal interest may be a result of the feeling that Northern Arizona will evolve more and more into a drug shipment area, as greater pressure is brought to bear in Florida and areas along the Mexican border. As stated above, the potential for use of remote airstrips in this County and Northern Arizona is great. The use of federal personnel and equipment to surveil remote areas of the County will be very useful in stopping

this potential use of the wide open spaces of Coconino County.

D. Recommendations

Funding at the state and federal level of multi-agency units would combine the street intelligence of local agencies with the equipment and resources of Federal and State agencies into a coordinated effort toward interdicting distribution systems.

Funding would be most effective in the areas of:

1. Equipment
2. Buy money and undercover operating expenses.
3. Office space and equipment.
4. Overtime funding.
5. Informant funding.
6. Although in most cases the assignment of on-board personnel to multi-agency units is the most fiscally prudent approach, some funding for manpower may be required by smaller agencies.

E. Summary - Northern Arizona has many unique factors which play a role in determining its part in the overall drug trafficking problem. As indicated, these factors include the geographical size and make-up of the county, its location on two interstate highways and the jurisdictional issues which can arise in this area.

Coconino County also shares many of the problems

which are common to other jurisdictions in the area of drug enforcement. The multi-agency task force approach is being utililized to attempt to resolve some of these problems. This approach seems to be working well at the present time and is recommended for other areas of the state and the entire Southwest.

Senator DECONCINI. Thank you very much. Mr. Howard.

STATEMENT OF JAMES M. HOWARD, CHIEF DEPUTY, PIMA COUNTY ATTORNEY'S OFFICE, PIMA COUNTY, AZ

Mr. HOWARD. I prepared a statement that I would just like to submit for the record and depart liberally from that in hopes of saving some time and hope in not repeating what previous testimony you have heard.

I don't have to tell the Senator about what the conditions are in Pima County; the Senator is well aware. Let me begin by saying there are some differences between now and the early seventies, although there are a lot of similarities, too. Having been involved that long in drug prosecution and enforcement, I think the current atmosphere of cooperation between Federal, local, and State agencies needs to be commented upon. It's refreshing and it's a change and it is quite productive. And the Federal funds that are earmarked to assist in those cooperative efforts to the Anti-Drug Abuse Act of 1986 should be protected by Congress because so far I think we are embarked on an area of cooperation that has not been seen before between Federal Government agencies and local agencies.

Otherwise, however, history is trying to repeat itself. The drug preferences have changed slightly but the lessons that you and I learned during the early seventies when you were the Pima County attorney need to be applied now because with regard to the Arizona border, history is trying to repeat itself.

I don't feel like I can add a great deal of information to what you already know from experience except to recount those lessons which I think we learned before when the Arizona border was probably the major area for ports of entry for illicit drugs. Although at that time heroin was the major drug and now it appears to be cocaine, many of the lessons are the same. The Federal Government needs to take responsibility for smuggling that occurs on international borders. The integrity of international borders is factually, statutorily, and constitutionally Federal responsibility. The Federal Government just doesn't help out locals with a local problem here. This is a Federal problem. And I think that needs to be understood.

If drug eradication efforts are to be effective, it needs to be not only a law enforcement concern but it needs to be a major concern of this country in its international relations. In dealing with foreign governments, the problem of production and export of illicit drugs from those countries to this country should be second only to national defense in terms of our discussions with those countries. Third, I think we need to know and understand no matter what our economic theory, that we have adhered to that. Demand creates supply. Demand within the United States for illicit drugs in some important sense creates supply from without. And we cannot allow the user to use. We have to attack that from a law enforcement point of view, certainly from a prosecution point of view.

But that's not enough. We need also to continue and up our educational efforts. We need to act with all of our resources on the demand within this country and within this State to drugs or else

we will never ever be able to interdict the supply from without this country of those drugs. And fourth, I think we need to continue to keep in mind that cooperation and intelligence sharing between various law enforcement agencies and all levels of government is absolutely necessary to law enforcement effectiveness and that to the extent that we cooperate and share intelligence we will be successful and to the extent that we do not cooperate and do not share intelligence, we will fail.

[Prepared statement follows:]

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STATEMENT OF JAMES M. HOWARD
BEFORE THE SENATE CAUCUS ON INTERNATIONAL NARCOTICS CONTROL
PHOENIX, ARIZONA
AUGUST 18, 1987

My name is Jim Howard. I am Chief Deputy of the Pima County Attorney's Office. On behalf of Stephen Neely, the County Attorney, I would like to thank the caucus for the opportunity to address you this morning.

Let me begin by saying, as one who has been involved in the prosecution of drug cases for over 15 years, that the current atmosphere of cooperation between Federal and local agencies is both refreshing and productive. Federal funds currently earmarked to assist the cooperative efforts through the Anti Drug Abuse Act of 1986 will further enhance cooperation.

Next let me address what I see the current problems to be and then some suggestions on how the Federal government can assist in curing them.

First we must realize that not only is the border in Arizona both long and sparsely populated, it is also a jurisdictional checkerboard that has frustrated consistent enforcement efforts. Included are four separate counties and various Indian and Federal lands over which states have

limited enforcement jurisdiction. In addition, the airspace above the border is beyond the resources of state and local agencies to adequately control. These conditions make it even more clear that major responsibility for closing the border to drug traffic must be Federal.

Second, one cannot address the problem of drug use without addressing the user. Although the focus of the caucus is International, as long as the U.S. population is a viable market, the trade will continue. How does one convince an open and generally permissive society to not abuse drugs? Prosecution of the abuser is a part of this picture, but cannot be the total answer. Such an approach would be far beyond the resources of our current law enforcement and judicial systems. The reality is that use of drugs is so pervasive that juries and judges tend to minimize prosecutions of users for small amounts.

In a society that will spend millions on selling toothpaste, cigarettes, (and even political candidates), educational and advertising efforts designed to inform society of the true costs of drug abuse stands a far better chance of success. One only has to look at the changes in public attitudes towards cigarette smoking and drunk driving to realize how effective this approach can be. A similar

approach at the national level should be directed towards drug abuse.

As for specific recommendations: In the state and local area, decentralization of operational authority of Federal Drug Enforcement agencies would allow those agencies to be far more responsive to local needs and increase their ability to combat narcotics. The Federal forfeiture statutes should be modified to promote timely dispersion of the state's portion of such property. The funding and programs established as a result of the Anti Drug Abuse Act of 1986 should be evaluated and continued funding provided if the programs are effective.

It would also assist us if DEA laboratory facilities were expanded to both increase capacity and reduce transportation time.

Congress should continue to examine the extent to which military equipment and possibly personnel can be used in a support role to assist in drug enforcement. Most military personnel are not trained as law

enforcement agents, but certain military equipment, such as vehicles, aircraft and radar surveillance equipment can be extremely useful in closing the border to smuggling activities. The people who operate this equipment are military personnel. It seems wasteful to duplicate this training.

Another area that would assist local authorities would be to modify statutes to allow the Federal Marshalls Service to manage forfeited properties for local agencies as they currently do for U.S. government agencies. In many instances the local authorities do not have the expertise or resources to manage seized property that may lose value if not maintained properly.

I appreciate the opportunity to testify before the caucus. Are there any questions?

Senator DECONCINI. Thank you, Mr. Howard.

Mr. Corbin, I appreciate your time here. Do you have any direct cooperative effort with the law enforcement officials in Mexico, your office?

Mr. CORBIN. Yes, we have had meetings down there. We started off probably about a year ago, the first meeting in which Carlos Bobles came up here and said he was interested in establishing some type of relationship with both Federal, State, and local people with our counterparts in Mexico. We held such a meeting. It was held in San Carlos and we did get together with various people. Like so many of the first meetings, it's more formality, introducing each other and offering our cooperation. Then last November he had another meeting in San Carlos again with the five or six border States attorneys general of Mexico to work with this problem, basically to get each of us to meet our counterparts over the border to work together. We had that meeting. And then last March or April the attorney general of California reciprocated with a meeting in San Diego.

The next meeting will be the States south of Texas, I can't think of the name of it, in August or September to at least get to know each other. Now, it's my understanding that Carlos Robles, the attorney general of Sonora, was given authority to use police, Federal police in Sonora. I think he is the only attorney general that has that authority. I know from talking with Carlos, I think they might be given this authority.

But yes, we had the meeting basically to discuss because they have problems down there, too. There is an awful lot of weapons going into Mexico right now and the State is concerned with Mexico because some of them are being used by the drug people. Here about 3 or 4 months ago, two Nogales police officers were shot with automatic weapons as they were patrolling. One of them was killed and I haven't heard about the other one. But they have a tremendous problem. And I know that ATF was down there at the meeting and I know they are here today but they were offering their support of Mexico authorities to get the nomenclature, the weapons, get the serial numbers, transfer them so they can try to find out where these weapons are coming from because the drug people are converting weapons and using them. There has been a lot of killings in Mexico of their own people by the drug people. So we have been working in this area.

Senator DECONCINI. Are you sharing any intelligence information or has it not gone that far yet?

Mr. CORBIN. I can't speak for sharing intelligence information because that's mostly through DEA and those people. I know there was a bust down in Sonora of three safe houses. Two of them had already been moved, as I understand it. Two of them, the marijuana had been moved out of them but they did find the third one was full of marijuana. I think that was done by the Federal military of Mexico as well as intelligence came from DEA and I think DPS up here.

Senator DECONCINI. Mr. Corbin, have you talked to your counterparts in those border States about the need for a legal assistance treaty being negotiated between our two countries? Has that subject come up at all?

Mr. CORBIN. That particular subject hasn't, but I know the other attorneys general in Sonora, Mexico, can try a citizen for a crime committed in another country. He has offered and the other attorneys general of the border States have offered that if one of their nationals escapes prosecution on a technicality here, if we ship that evidence down there they will prosecute a Mexican citizen who commits a crime in the United States. They have that right now. He has helped us quite a bit.

As I mentioned earlier, we don't have enough people to work with drugs but Carlos has helped us quite a bit with people in Sonora with people we have been after.

Senator DECONCINI. In your long experience in prosecutorial areas and drugs and advising different law enforcement agencies, how would you assess the cooperation now with the Federal agencies in the local area? Do you have any assessment? Are you close enough to say it's the best or it's better or on the upswing or downswing?

Mr. CORBIN. As attorney general, I have seen a tremendous change in working together with the Federal agencies. I can only speak for Arizona. We ourselves have a number of operations going right now, which I can't discuss here, with Federal people and the cooperation has just been tremendous. We worked a drug case, one of the few we got involved in was down out of Douglas. It involved DEA, Customs, Tucson Police Department, the Pima County Sheriff's Office, it involved everybody.

Senator DECONCINI. And your office did the prosecution?

Mr. CORBIN. We did the prosecution. They did the investigative work.

Senator DECONCINI. Mr. Howard, how about you? Is it the best you have seen it in your long career in prosecutorial areas?

Mr. HOWARD. I believe so. And I credit the law enforcement coordinating committees for at least a part of that. As you probably recall, Congress had given the Justice Department a little bit of a kick start to get that program going. It was mostly on paper during the early years of the present administration but it has been funded and it has been fully active now for a period of a couple of years. And it has brought about a lot of comments between Federal Government and the local and State people and brought about a lot of contacts that are very useful, professionally and brought about a lot of cooperation which I don't think has ever been surpassed.

Senator DECONCINI. Do you think funding of $225 million for State and local programs out of the Anti-Drug Abuse bill would make a significant difference in Arizona?

Mr. HOWARD. It would be extremely helpful. When people talk about we have been spending lots of money on this problem over the years, that's crazy. We haven't been spending a lot of money on this problem. If you look at the Federal budget and all the dollars involved there and the portion of that that is law enforcement directed at narcotics, it is negligible. We have not taken this problem seriously.

Senator DECONCINI. Thank you.

Mr. Knauss, let me ask you, and I know a number of your attorneys, and they don't say this at all critically, but they tell me their case loads are higher than they have ever been, particularly in the

civil area but even in the criminal area. Just what do you do to respond to that so that you don't have to plea-bargain so many and you can handle the BLM and other civil authorities that you have to represent? Number one, is that true, are your civil cases higher than they have ever been?

Mr. KNAUSS. I believe they are. And in fact we have expanded our civil section by two attorneys.

Senator DECONCINI. Will that reduce that case load at all?

Mr. KNAUSS. That will help. Other things we are doing, we try to rely on other agency attorneys. For example, the board now has an immigration attorney. He just came down within the last week or two. He tells me he expects to thave two working soon.

Senator DECONCINI. So you don't have to do those cases?

Mr. KNAUSS. Exactly.

Senator DECONCINI. And I gather from your testimony that there is no longer the unwritten policy that you won't prosecute 100 pounds or less marijuana cases?

Mr. KNAUSS. The policy was always written, Senator, and it was substantially less than 100 pounds. In fact, it was 20 pounds and that was in 1981. But recently, from discussions between U.S. Attorney MacNamee and Mr. McDermott, we are not declining on the amount. There may still be evidence reconsiderations but not on that. And that's because we have gotten these new Alliance attorneys.

Senator DECONCINI. Mr. McDermott made reference to a judge in Pima County, a Federal judge that fails to address the mule as anything but a victim rather than a defendant and a criminal.

Can you give us any information of what you are trying to do to cope with that to get prosecution under the mandatory provision for the so-called transporter, the mules?

Mr. KNAUSS. As you know, the mandatory provisions don't really begin until 220 pounds of marijuana and we have many cases less than that. So if it is over 50 kilos, there is some extended sentencing. But the court always has the option of probation up to that 220 pounds. We attempt, on an informal basis with the judges, to try to explain to them what is really going on here but we have had, not only in the media but personally, expressed to us that most people who bring these loads across the lines weren't victims. When you realize that 1 pound of marijuana is selling for $500 or more and 4 pounds is worth $2,000, you are not talking really about a whole lot of marijuana before they just can't be in it.

Senator DECONCINI. Have you had Federal judges refuse to take cases where the mandatory sentence applies?

Mr. KNAUSS. There is hostility to the mandatory sentences but they can't refuse to take the cases. And none of them have held that the law is unconstitutional.

Senator DECONCINI. Have they put pressure on you to reduce it and have they done that?

Mr. KNAUSS. The pressure comes in this way: On occasion we have not been allowed to offer evidence of value. For instance, possession with intent to distributes. They are going to uses it for themselves or distribute it. We have not had that admitted with it is clearly admissible. We have had lesser included offenses, instruc-

tions given when they really aren't warranted or asked for, some things like that. But I don't think they can refuse to use a statute.

Senator DECONCINI. Is it a significant problem you are facing there? I'm not trying to get you in trouble with the judge and I know the judge, but I wonder how big a problem it is.

Mr. KNAUSS. I don't know if I would call it a significant problem in the overall scheme of things. I don't know.

Senator DECONCINI. Is it less than 20 cases a year?

Mr. KNAUSS. Well, of course the new minimum mandatories, we haven't even had a year with them yet.

Senator DECONCINI. So far is it less than 20 cases?

Mr. KNAUSS. I would say less than 10 cases where we have had one of these various situations I have described.

Senator DECONCINI. Mr. Verkamp, are you familiar with that Operation Pipe Line that operates out of DEA and New Mexico State Police along Route 40?

Mr. VERKAMP. Yes.

Senator DECONCINI. Do you participate in that?

Mr. VERKAMP. The profiles, yes.

Senator DECONCINI. Are you involved and is DPS involved in that thing across Arizona?

Mr. VERKAMP. DPS has adopted, in fact, just 2 or 3 months ago, our office showed to our deputies a film prepared by the New Mexico State Police on the cocaine corridor which is I-40, as they refer to it, and they have trained DPS along this line in the profile searches. And DPS has been using for a period of time in northern Arizona those profile stops and getting consent searches and it has been amazingly successful.

Senator DECONCINI. With the DEA, right?

Mr. VERKAMP. I'm not aware of their involvement in it. It was more DPS as far as we were concerned who was conducting these kinds of stops.

Senator DECONCINI. In New Mexico I'm told that the Drug Enforcement Administration and the New Mexico State Police with the uniformed highway patrol have an operation called Operation Pipe Line where they share information. They make the stops based on information that is given to them from DEA. You don't know if that is happening in Arizona?

Mr. VERKAMP. I'm not sure if we are using information from DEA or not. I know they have been using these profile stops with consents and it's been unbelievable how many times they get a consent search and we go in and we have gotten very heavy loads of cocaine and marijuana with the consent of the person who is stopped.

Senator DECONCINI. What is the Federal presence of law enforement officers in Coconino County?

Mr. VERKAMP. It's building up now. Originally when we started the task force we just had the presence of the FBI as far as the Federal Government was concerned.

Senator DECONCINI. One agent?

Mr. VERKAMP. No, they have several agents.

Senator DECONCINI. Do you have a DEA agent there?

Mr. VERKAMP. Just recently Customs has placed two people there and DEA has assigned a person there temporarily. And Terry Burke is hoping to get that made a permanent assignment.

Senator DECONCINI. So you have seen——

Mr. VERKAMP. It's definitely been a better effort. And we feel especially the air surveillance capability from Customs will be very important because we expect some of these routes that are shown to go from southern Arizona to northern Arizona. So we feel that the surveillance for remote air strips will be very critical.

Senator DECONCINI. Gentlemen, I want to thank you very much for taking the time and some of you being here for a little more time. Thank you very much.

I want the record to show my appeciation of the caucus to Mayor Goddard, the city council and the city of Phoenix for providing the facilities here and the assistance that they gave us. We are most grateful. The International Narcotic Caucus of the U.S. Senate appreciates that effort a great deal.

These hearings will stand in recess subject to the call of the chairman. Thank you.

[The hearings were recessed at 11:55 a.m.]

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